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Geneva Talks To Last 'Until Accord Is Reached'

LD2107224593 Belgrade TANJUG in English 2231 GMT 21 Jul 93

[Text] Geneva, July 21 (TANJUG)—Co-chairmen of the Geneva conference on former Yugoslavia Lord Owen and Thorvald Stoltenberg announced on Wednesday night that the peace talks on the war-ridden ex-Yugoslav republic of Bosnia-Herzegovina (BIH), due to begin in Geneva on Friday, would last 'until accord is reached.'

John Mills, the co-chairmen's press spokesman, told reporters that all the invited political leaders accepted the invitations to come to Geneva on Friday, including Moslem leader Alija Izetbegovic who had hitherto refused the invitation.

All the three warring parties will be present in Geneva, together with the presidents of Serbia, Montenegro and Croatia who also act as mediators in ending the civil war between Bosnian Moslems, Croats and Serbs.

They will sit permanently until a solution is reached, said Mills.

He added that the co-chairmen were grateful to the leader of Bosnian Serbs, Radovan Karadzic, for ordering a break in the Serbian offensive on Sarajevo, on which Izetbegovic's consent to take part in the Geneva talks had been made contingent. They were grateful also to Izetbegovic for ordering a similar break in the Moslem offensive on Bugojno and Gornji Vakuf in central Bosnia.

The co-chairmen sought such a break also in Croatian operations around Mostar in southern Bosnia-Herzegovina, said Mills.

Postponed to 25 July

AU2207200393 Paris AFP in English 1915 GMT 22 Jul 93

[Excerpts] Geneva, July 22 (AFP)—Co-chairmen of the Geneva peace talks on Bosnia-Herzegovina agreed Thursday to a request from President Alija Izetbegovic to postpone negotiations until noon Sunday [25 July] due to heavy fighting in the capital Sarajevo, a conference spokesman said. A new round of the talks was to have begun Friday [23 July].

Spokesman John Mills said co-chairmen Lord Owen and Thorvald Stoltenberg had agreed to the delay "given the conditions on the ground". Other parties to the talks—the Serbs and Croats—had also agreed to the new date, Owen and Stoltenberg said in a brief statement read to reporters. [passage omitted]

However in Geneva the co-chairmen said they "welcomed reports late this afternoon that road blocks preventing a UNHCR (U.N. High Commissioner for Refugees) convoy destined for Gorazde had been lifted as well as reports earlier today that obstacles along routes" in the west of the republic "had been removed." But "the fact that there was intense bombardment of Sarajevo was clearly not an encouragement," Mills said. [passage omitted]

Serb Delegation Says Krajina Talks Adjourned

AU2207191193 Vienna Oesterreich Eins Radio Network in German 1600 GMT 22 Jul 93

[Report by Karl Jirkowsky report]

[Text] For Colonel Kosta Novacovic, head of the Krajina Serb delegation, the Vienna talks have not been broken off, only adjourned. Progress has been made on many issues. According to the colonel, both sides believe that peace in the region is necessary. A cease-fire agreement might soon be achieved, but there are still problems, he said.

[Begin Novacovic recording in Serbo-Croatian with superimposed German translation] The problem is the delaying tactics of the Croatian side in fulfilling the Erdut agreement. Our side has already made more concessions. We have done so at the request of the Croats and the international community. We have permitted the opening of Zemunik Airport and the establishment of the pontoon bridge near Maslenica. We did not call for advance concessions, but the Croats must act now. They must respect and fulfill the other part of the agreement. They must withdraw their troops as provided for by the agreement. If this is fulfilled, we will immediately be able to sign a cease-fire agreement and a confidence-building agreement for peace. [end recording]

Croatian Delegation: Talks Have Failed

AU2207172193 Vienna Oesterreich Eins Radio Network in German 1600 GMT 22 Jul 93

[Gerhard Roth report]

[Text] Although the UN spokesmen want to make people believe that the Krajina negotiations have only been adjourned, it is clear that the talks in Vienna have failed and that they have reached a deadlock, said Decoricija, head of the Croatian delegation. For Croatia a cease-fire on the Krajina front would be the first prerequisite for the settlement of all other questions, which are not so much political as they are problems that immediately affect people's lives in southeastern Dalmatia and the Serbian territories. So above all these are problems with the reestablishment and securing of the infrastructure, traffic connections, telephone and power lines, and water mains.

Croatia has made every possible concession, claimed Decoricija, without going into detail about the ominous 10 points of the drawn-up cease-fire agreement which was to have been signed in Vienna. The United Nations does not say anything about it either. The only thing that has leaked out is that some kind of buffer zone is to be established at the front and controlled by UN protective troops, like the area around Maslenica and the Peruca

dam. All that, however, is probably in the past now. In the Croats' view, it is now again the United Nations' turn to establish the prerequisites for new talks. However, Decoricija questioned the prolongation of the UN mission in Croatia by saying:

[Begin Decoricija recording in Serbo-Croatian with superimposed German translation] Croatia has internationalized the problem and taken it before the United Nations. At the end of the month, however, the UN mandate expires. By that time the United Nations will have to prove that it is also able to achieve something in Croatia. Only then will we be prepared to discuss the prolongation of the mandate for the UN protective troops. [end recording]

NATO Planes Ready To Support UN in Balkans

AU2207164693 Paris AFP in English 1548 GMT 22 Jul 93

[Text] Rome, July 22 (AFP) - Six U.S. fighter jets arrived at Italy's Aviano air base Thursday, officials there said, as NATO announced that combat planes from four NATO countries were now ready to launch air strikes in support of U.N. troops in ex-Yugoslavia.

In Brussels, a spokesman for the North Atlantic Treaty Organization said the planes deployed in Italy from the United States, France, Britain and the Netherlands could go into action anywhere in Bosnia-Herzegovina to defend U.N. troops, as soon as NATO received a go-ahead from the United Nations for the operation. The report came as a full-scale artillery battle was underway in Sarajevo, the besieged capital of Bosnia-Herzegovina.

NATO planes will be empowered to strike at aggressive forces on the ground threatening U.N. peacekeeping troops, if requested by the U.N. troops.

Six F/A-18 attack planes from the U.S. Naval Base at Beaufort, South Carolina, flew to the Aviano base in northern Italy, where U.S. planes participating in the operation, under U.N. command, are being stationed. Two more fighters were expected in the next few days, as well as a company of paratroopers, officials at the Aviano base said. The United States has said it will deploy 30 combat planes, 10 support aircraft, and about 1,500 personnel for the mission. Last week 12 U.S. planes—A-10 Warthogs and A-10 Thunderbolts—were transferred from Spangdahlem base in Germany to Aviano.

A total of 850 military personnel are already at Aviano, ready for action, and training flights are to begin, the sources said.

In Brussels, the NATO spokesman stressed "the operation will not actually begin as long as it is not requested by the U.N." Some 60 planes are to participate in the mission, which has not yet been officially given a code name, although NATO troops informally dubbed it "Disciplined Guard".

Meksi Meets With Slovene Minister

AU2207170193 Tirana ATA in English 1015 GMT 22 Jul 93

[Text] Tirana, July 22 (ATA)—On July 21, Premier Meksi met with the Slovenian Minister of Health Bozidar Voljc, who is on a visit in Albania invited by Tritan Shehu, minister of health and environmental protection.

Mr. Voljc conveyed to Mr. Meksi the greetings by the Slovenian Prime Minister Drnovsek and his desire to visit Albania in the future. The Slovenian minister pointed out that both parties are ready to help Albania organize medical service and exchange specialists. It is ready to develop cooperation in other fields of mutual interest, he said.

Mr. Meksi stressed that Albania and Slovenia should cooperate because as Balkan countries they have similar interests. It is necessary that added to the cooperation between the two countries in the air transportation and health be also concrete cooperation in agriculture, industry, and tourism [sentence as received]. Premier Meksi dealt with the concern of foreign investors in Albania and the opportunities it offers in this direction. He mentioned fruitful cooperation of Albania with significant international organizations, such as the World Bank and IMF, and in this context said that it is necessary to intensify the relations with Slovenia.

Tritan Shehu, minister of health, met with the Slovenian Minister of Health Bozidar Voljc. The negotiations concentrated on draft agreement between the two countries in the field of health that is expected to be signed soon. The Slovenian minister was briefed on the state of medical service in Albania.

Serreqi Receives Montenegrin Foreign Minister

LD2207134493 Belgrade TANJUG Domestic Service in Serbo-Croatian 1223 GMT 22 Jul 93

[Text] Podgorica, 22 Jul (TANJUG)— Montenegrin Foreign Minister Miodrag Lekic held talks with Albanian Foreign Minister Alfred Serreqi in Tirana today. During their talks, which are the continuation of the already established contacts between the two sides, the ministers exchanged opinions on issues of mutual interest for the promotion of cooperation. They stressed the importance of cooperation as an important contribution in the process of the stabilization of the situation in the region, and mutual readiness was expressed to broaden the concrete forms of cooperation. In this context, contacts at a high political level, as well as meetings between representatives of ministries, are planned for the future.

Assembly Adopts Changes to Compensation Law

AU2207170493 Tirana ATA in English 1006 GMT 22 Jul 93

[Text] Tirana, July 22 (ATA)—The People's Assembly adopted a number of draft laws and ratified some agreements. At first some changes in the Law on the Return and Compensation of the Ownerships to Former Owners was approved. The changes consist in the fact that the Council of Ministers should not act according to bylaws, but on the basis of the law the People's Assembly will approve for the price of the site.

In continuation, the People's Assembly ratified the treaty of friendship and cooperation between the Republic of Albania and the Republic of Croatia, on the basis of which the two countries express the will to conduct friendly relations and cooperation existing between them, based on mutual confidence and respect and other principles of international law.

In the afternoon, the Assembly examined the draft law for a change in the Law on Medical Service and the Free Medical Aid by the State. Its aim is to have a higher qualified service in medical institutions. For this reason, there is a proposal for payment in special elements of these services.

Further on, the People's Assembly ratified the draft law for the membership of the Republic of Albania in the Islamic Bank of Development, which will create the possibility for financing of various projects in Albania.

At the end of this day, the draft law on some supplementaries in the Penal Code of the Republic of Albania, according to which the red cast and its collaborators, who exerted genocide on the people, who exerted violence and terror, should respond before the law, was adopted.

The People's Assembly will start proceedings in plenary session on Monday [26 July] afternoon.

Socialist Party Statement on Constitution

AU2207122993 Tirana ZERI I POPULLIT in Albanian 30 Jun 93 p 1

["Statement by the Socialist Party General Management Committee" issued in Tirana on 28 June]

[Text] Albania is undergoing extremely difficult times marked by increasing tension and hostility on its borders, dubious political activities, revanchism on the part of the present rightist wielders of power, and a prolonged economic crisis accompanied by severe social upheaval.

The Socialist Party [PSSh] General Management Committee observes with concern and responsibility that there is a deep crisis in Albanian domestic politics today. A political situation characterized by revanchism and vindictiveness has penetrated every cranny of our society. These features are becoming characteristic of the

political philosophy of the Democratic Party and the typically dictatorial activities of the state bodies it commands. The Albanian parliament has burned itself out. With various antidemocratic laws it has passed, including some declared unconstitutional by the Constitutional Court, and its total inability to exert parliamentary control over the activities of the government, and with brutal violations of the democratic rights of the opposition and smaller groups, it has demonstrated that it is unable to direct and control the legislative life of the state. It has twice set deadlines for the submission of the draft constitution and has twice failed to meet them. It has given in to certain official political circles who wish to leave Albania without a constitution.

The PSSh General Management Committee, responsibly analyzing this situation, unanimously supports the just stands of the PSSh presidium and its parliamentary group in boycotting the People's Assembly until the draft constitution approved by the relevant parliamentary commission is submitted. The problem of the constitution has assumed a markedly political character. It reflects not only the nature of the current political struggle but also the scenarios planned for the future, which place Albania's sovereignty and independence in doubt. The PSSh General Management Committee, therefore, takes the view that the approval of a genuinely democratic constitution will create conditions not only for the consolidation of democratic achievements and the country's political stabilization, but will also guarantee the Albanian state's independence and sovereignty. It is also a precondition for drafting and implementing a realistic foreign policy for the Albanian state. It is a fact that, instead of advancing to strengthen the homeland's security and independence and fairly solve our national question, our state's current foreign policy with its mistaken priorities and dilettante approaches is leading Albania toward new isolation. Instead of neutralizing and prudently confronting the prejudices and policies of certain neighboring chauvinist and anti-Albanian circles, it is in many cases helping to erect new walls around our country, encouraging lapses into antique prejudices, hostility, and anti-Albanianism.

Our foreign policy, on the basis of a consensus of all political forces and a single pannational strategy, must be clearer and more consistent, not haphazard and politically servile. It would in this way contribute more to solving the national question of the Albanians in Kosovo, the former Macedonia, and Montenegro; it would help Albanian emigrants in the places where they live and work, alleviating their conditions and protecting them from discrimination, deportation, and mistreatment.

Following an analysis of this serious situation, the PSSh General Management Committee lays down the following main directions for the current political struggle:

1. The parliamentary commission for drafting the constitution must submit the draft constitution of the Albanian state to parliament as soon as possible. It must be discussed and approved by a genuinely democratic procedure, becoming the legal basis for new and early parliamentary elections.

2. Without the constitution and other legal measures, no step must be permitted in the field of privatization that does not make all Albanians proprietors. No arbitrary steps must be permitted that could lead to the plunder of the people's property and its handover solely to a group of former proprietors or fanatical party-minded new proprietors, supposedly in the name of the economic reform.

3. Until the Second PSSh National Conference, all the PSSh's political, organizational, and propaganda work must aim to sensitize as far as possible the Pan-Albanian public over the situation that has been created, to further stimulate activity among the people and the trade unions in order to defend democracy from the perils of revanchism and a new dictatorship, to continually strengthen the party organizationally, and to determinedly and actively support the party's principled political stands.

Assembly Rejects No-Confidence Vote in Cabinet

AU2307064693 Sofia BTA in English 2059 GMT 22 Jul 93

[Text] Sofia, July 22 (BTA)—Parliament rejected a no-confidence vote in the cabinet motion late this evening by 147 against 81 votes. The no-confidence vote motion was moved by the Union of Democratic Forces (SDS).

The SDS demanded a no-confidence vote in the government of independent economist Prof. Lyuben Berov elected in late December last year after the government's spokesman announced on June 29 that the cabinet had decided to suspend payments on part of the interest on this country's debt to foreign private banks because of their failure to show understanding for the grave economic state this country was in. Two days later it turned out that such decisions are not within the competence of the government but of parliament. According to Prime Minister Berov there was a mistake in the report to the press for which an unnamed government official was to blame.

The MP's voted by secret ballot on the proposal of the ethnic Turks' Movement for Rights and Freedoms [DPS]. Yesterday parliament discussed the no-confidence vote motion behind closed doors on the request of MP's of the New Union for Democracy (comprising MP's who left or were expelled from the SDS), the DPS and the Bulgarian Socialist Party.

Zhelev on Talks With European Delegation

AU2207200693 Sofia Khorizont Radio Network in Bulgarian 1600 GMT 22 Jul 93

[Text] The delegation of the European Parliament in charge of relations with Albania, Bulgaria, and Romania has held several meetings at the National Assembly with the Foreign Policy and National Security parliamentary commissions, with the Economic Commission, and with the leaders of parliamentary groups, our reporter Silvia Velikova announced.

The question of the European members of parliament support for the prompt signing of a provisional trade agreement with the EC was the main subject of the meetings. The method of finding direct or indirect compensation for Bulgarian losses resulting from the country's strict observance of the embargo against Serbia and Montenegro was also discussed.

The European parliamentary delegates expressed the hope that the provisional agreement between Bulgaria and the EC should be signed no later than autumn 1993.

The delegation promised to do everything within its power to solve this question, but for the time being the solution depends entirely upon EC investors.

After his meeting with the European members of parliament, President of the Republic Dr. Zhelyu Zhelev said the following in a special interview with the Khorizont and Khristo Botev Sofia Radio networks:

[Begin Zhelev recording] We held open talks at which the delegates of the European Parliament expressed their interest in the situation in Bulgaria, in the progress of the reforms, and in our country's political stability, while we asked what the European Parliament is doing for Bulgaria's actual association with the EC.

I was pleased to hear that the European Parliament approved the provisional agreement but that an objection was raised at the meeting of EC foreign ministers, which was not based on any specific reservations against Bulgaria, but rather by the fact that the ministers had some principled differences and contradictions, which have once more come to the surface in connection with discussing our association and in connection with the signing of the agreement with Bulgaria.

However, the members of parliament are convinced that things will be settled and that it will happen in the near future. [end recording]

The delegation of the European Parliament was also received by Prime Minister Lyuben Berov.

Italian President Scalfaro Arrives for Visit

AU2207200193 Sofia Khorizont Radio Network in Bulgarian 1600 GMT 22 Jul 93

[Text] Oscar Luigi Scalfaro, president of the Republic of Italy, arrived at Sofia Airport today.

He was welcomed by President of the Republic Dr. Zhelyu Zhelev, various officials, representatives of the government, and members of parliament.

This is the very first visit of an Italian head of state to our country in the history of our two countries' bilateral relations, and promises an improvement in economic relations and a more active presence of Italian companies and capital investment in Bulgaria.

A stable mechanism for the protection of future Italian investment in our country is expected to be established and an agreement is scheduled to be signed on cooperation in transport, so that direct communications with Italy can be set up through Macedonia and Albania.

The two countries' stands on the crisis in former Yugoslavia will be discussed and the Bulgarian side is expected to request the Italian president's support in connection with the prompt implementation of a provisional trade agreement between Bulgaria and the EC, likely to promote improved access of Bulgarian goods to European markets.

Meets With President Zhelev

AU2307083793 Sofia BTA in English 2113 GMT 22 Jul 93

[Text] Sofia, July 22 (BTA)—Italian President Oscar Luigi Scalfaro arrived here this afternoon on a 24-hour official visit. This is the first visit by an Italian head of state to Bulgaria. President Scalfaro arrived here after visiting Romania.

The visit started with a meeting between the Italian President and Bulgarian President Dr. Zhelyu Zhelev which was followed by talks between the two delegations. The official Italian delegation includes advisers to President Scalfaro and representatives of the Italian Ministries of Foreign Affairs and the Interior. Bulgarian Foreign Minister Stanislav Daskalov took part in the talks between the two delegations.

The talks between the two presidents focused on the situation in the Balkans and the crisis in the former Yugoslavia, Bulgarian Ambassador in Rome Mr. Stefan Tafrov told the press. Mr. Tafrov took part in the talks together with the Italian ambassador to Bulgaria, Mr. Augostino Matis. According to Mr. Tafrov, "Italy has serious interests in the Balkans and the views of two state leaders on the crisis in the former Yugoslavia coincided completely."

At the talks between the two delegations there were "lively, discussions" according to Mr. Tafrov, of the idea to set up a transport corridor linking Italy, Albania, Macedonia and Bulgaria. According to Mr. Tafrov, the Italian side will support this idea within the framework of the European Community as well because the implementation of such a project would require large investments. The talks also touched upon the issue of unblocking the credit lines granted by Italy under bilateral agreements which were blocked after Bulgaria imposed a moratorium on its foreign debt payments in 1990. The Italian side said that it no longer binds the issue of the coming into force of an interim agreement between Bulgaria and the EC to the adoption of internal regulations within the EC.

In his statement President Scalfaro stressed the particular importance of culture in the relations between the two countries and the Bulgarian side feels quite encouraged by the support Italy has promised for the promotion of bilateral contacts in culture, Ambassador Tafrov said.

The Bulgarian side also raised the issue of easing visa regulations for Bulgarians visiting Italy and this issue was also discussed, Mr. Stefan Tafrov said.

In response to a question Ambassador Tafrov said that the issue of the "Bulgarian connection" in the attempt on the life of Pope John Paul II in 1981 "no longer belongs to the sphere of political relations but rather to the sphere of historical evidence."

Asked why Italian Foreign Minister Baniamino Andreatta, who accompanied President Scalfaro during his visit to Romania, did not arrive in Sofia, Mr. Tafrov explained that Foreign Minister Andreatta "had good motives not to be in Bulgaria because of his personal involvement in the solution of the crisis in Somalia."

President Scalfaro's visit continues tomorrow. He is expected to meet Prime Minister Lyuben Berov and National Assembly Chairman Aleksandur Yordanov and to address the National Assembly. The Italian and the Bulgarian presidents will give a press conference in the afternoon.

Speaks at National Assembly

AU2307105693 Sofia Khorizont Radio Network in Bulgarian 0812 GMT 23 Jul 93

[Speech by Italian President Oscar Luigi Scalfaro at 23 July session of the Bulgarian National Assembly; in Italian with simultaneous Bulgarian translation—live]

[Text] Esteemed Mr. Chairman, Mr. President of the Republic, and people's representatives: You must understand me and my deep emotions. You bestowed upon me an [illegible]ally great honor—to enter this Assembly's hall [illegible]ess you. This is an exceptional fact which represent[illegible]reat honor for me. This also is a recognition of my personal love for the parliamentary institution, because I lived and worked in the Italian Parliament for 46 years. In other words, I stand here as your colleague, or perhaps as an archaeological subject. My position affects you all. I stand here with great love for you, because this is the temple of democracy, which guards the people's freedom. You guard the freedom of every citizen. This undoubtedly is a great responsibility and a great historical merit.

You know, because you have experienced this, what it means to negate freedom. This is the most despicable negation, because this negation rejects the basic rights, the vital rights of the people, the basic human rights. I ask you, what is holier in this world?

Well, the parliament is and must be the fortress of the people's freedom, the guardian of our free thinking. We must believe in the true merits of man. Therefore, when freedom is oppressed the human merits are oppressed. When could this happen? When a people is subjected to the uncontrolled oppression of other people. However, when a man alone decides to be the slave of another man he ceases to be a man. Therefore, the parliament is the fortress of human freedom which also is the political freedom, the ability to think in politics as one pleases, and be able to freely express political thoughts. This also means the right—within the framework of the Constitution—to make the political acts one wants to make. I stress—all this must take place within the framework of the Constitution. This a document which represents a treaty on common existence and solidarity among individual citizens, and on religious freedom—the most delicate human freedom. When the state tries to interfere

in human life it destroys man. Thus it ceases to be a state. The Constitution also guards the economic freedom.

Today many people speak about the transition from state economy to private economy. I will express a thought which is based on my experience: An economy which deprives man of the ability to act oppresses and destroys human initiative and creativity. However, on the other hand, a state which leaves everything in the hands of the private economy does not implement its basic obligations in a just way [applause]. In other words, what is needed is a great balance between those two types of economy.

The freedom has one great limit: There is no freedom outside the truth.

The parliaments resemble a great organ. Sometimes one of its pipes plays, and some other time—another pipe [applause]. Perhaps in this is the great harmony of the parliament. There is no unlimited freedom. The truth being the limit of freedom contains a great natural-moral law. I do not speak about a religious law, but about a natural-moral one, which has a great importance for all. I call this limit the vertical border of freedom. Chaos appears outside this limit. One cannot replace democracy by a permission to do everything.

There is a second limit to freedom, it is a horizontal limit. This is a limit that imposes upon us to respect the freedom of others. This is the limit that regulates relations among the people, and between the governments and the peoples. Outside this limit we enter the realm of oppression.

At present Europe witnesses what it means to violate those limits of common existence and head toward oppression. The great thinkers of all nations taught us and bequeathed us a very bright law: Struggling, defending, and upholding freedom means to struggle, defend, and uphold the freedoms of others. Those who died for freedom did not die for their own freedom, but actually for the freedom of others. Egoism has no place in the concept of freedom. On the basis of those charming principles that must be upheld and defended, Italy is close to you and to your commitment to democracy.

Italy is aware of your difficulties, as you are aware of our difficulties. You are also aware of our mistakes and limitations. However, you also should be aware of our courage to admit and correct our mistakes. Italy is not only close to you, but against the background of our ancient and inherent relations, and the wealth of our cultures, which are a basic element in establishing and preserving freedom, Italy is with you.

The democratic process is a long and difficult one. Do not be discouraged, because in the final account, the democratic process never ends. It constantly must be improved, and the difficulties constantly must be overcome. The democratic process is a continuous correction of the human mistakes. It is a difficult process, because it requires the participation of all.

Under dictatorship a single person thinks for all. There are people who are not allowed to think, and there are such unfortunate people, who alone relinquish their right to think. In other words, it is necessary for every citizen to sense and experience the freedom [applause].

We must instill a democratic culture [applause], because every citizen must understand that he is responsible for the democratic life in his country, the democratic life of his people. No one has the right to stand aside and criticize everything and everybody. This also includes the press, which has a great responsibility [applause], to help the citizens to live in democracy.

I was greatly moved in the room of the National Assembly chairman, where I saw the banner of the EC. I was moved because this banner represents a hope and a desire of yours, and a target toward which you are firmly marching [applause]. This banner symbolizes the road along which you want to march. We are close to each other along this road, we are with you.

Now Europe still witnesses bloody scenes and barbarous acts committed against mankind. It is necessary to revive the human merits.

An Italian man, De Gasperi, was one of the greatest champions of European unification. If ancient Europe wants its voice to be heard in the free world, everyone must revive in himself the confidence in a unified Europe. The European spirit is the spirit of freedom, solidarity, and relinquishing excessive advantages. In other words, it is necessary to relinquish the nationalistic egoism in Europe. We must respect the different cultures, history, and traditions of the various nations, the human wealth of every European nation.

Gentlemen, people's representatives, I conclude my speech before you start applauding again, which actually will be a hint to end my speech more quickly. I apologize if I took too much of your time and talked longer than I should have.

In the name of the friendship between Italy and Bulgaria I express my best wishes. I also express the good wishes of all Italian people [applause]. I wish our peoples to always march together under the banner of fraternity that was proclaimed by the 1948 Human Rights Convention. May all of us live a meaningful life, serve our respective motherland, and the common European home.

Thank you for your attention.

Karabashev Discusses Investments With World Bank

AU2107135293 Sofia BTA in English 1104 GMT 21 Jul 93

[Text] Sofia, July 21 (BTA)—Today Bulgarian Deputy [Prime] Minister and Minister of Trade Valentin Karabashev received Mr. John Wilton, resident representative of the World Bank in Bulgaria, and Mr. Paul Hinchy, manager of the World Bank's department for Europe, the Council of Ministers' press service informs.

The World Bank officials were interested in the results of the visit by the International Monetary Fund mission and the process of privatization in Bulgaria. The Bulgarian Deputy prime minister assessed the mission's visit as a successful one stressing that most of its recommendations coincided with the government's intentions. We hope to sign a new agreement with the IMF [International Monetary Fund] in the autumn, Mr. Karabashev said.

Both sides agreed that the delay of privatization and the usettled problem of Bulgaria's foreign debt hindered the inflow of foreign investments. And yet the international institution is showing interest in Bulgaria as an investor: It already participates in two projects financing the completion of the technological equipment of the Tsarevichni Produkti Company and the replacement of outdated telephone exchanges. Mr. Karabashev pointed out that other large enterprises in Bulgaria, such as the So Mat carrier, Balkan Airlines, the Varna Grand Hotel, the Bulgarian Cement Plants and the Electronic Equipment plant in Stara Zagora also deserved attention.

A foreign investments committee has been set up with the Council of Ministers to assist foreign investors who usually refer their assistance requests to the privatization agency and the ministries, the Council of Ministers' press release says.

During the talks the World Bank officials raised the question of the agreement on financing the Bulgarian power engineering signed with the World Bank. The deputy prime minister explained that it was pending ratification by the Bulgarian parliament and that he was unable to say when this would be done.

Military-Political Situation in Macedonia Viewed

AU2207113893 Sofia BULGARSKA ARMIYA in Bulgarian 19 Jul 93 p 4

[Lieutenant Colonel Vladi Vladkov commentary: "Who Will Save Whom When Macedonia Bursts in Flames?"]

[Text] This whole story began in the first days of June when U.S. Secretary of State Warren Christopher festively told NATO's foreign ministers in Athens that he proposed, to the United Nations, to send U.S. troops to Macedonia.

The Macedonian Government appreciated the gesture and expressed readiness to accept 300 U.S. soldiers. Defense Minister Vlado Popovski explained this decision by the fact that Macedonia was not ready to defend itself if it was attacked, something which is true. For his part, President Kiro Gligorov said that the arrival of the Americans will have a "discouraging effect on all those who would think to commit an aggression or a provocation against Macedonia." This also is true, but only from a psychological point of view.

If we analyze the present military-political situation we would see that Macedonia cannot be concerned with aggression from its eastern neighbor (Bulgaria recognized Macedonia and stated that it has no territorial claims). Macedonia also cannot be concerned with an aggression from the south (despite all the quarrels about the republic's name, Greece shows no appetite for Macedonian territory), or from the north (if Serbia wanted to attack Macedonia it would have done it immediately after Macedonia withdrew from the former Yugoslavia). It is only the northwestern direction—Kosovo—that could prove critical for Macedonia, especially if Albania interferes from the south. An eventual conflict in Kosovo could provoke Albania's interference. From there, the events could spread to Macedonia, where, as is well known, a solid percentage of the population is of Albanian.

What will the U.S. soldiers do in that event? We know that in Macedonia there also are almost 700 soldiers of the Scandinavian battalion, which consists of soldiers from Finland, Norway, and Sweden. We could add to them the 26 UN military observers stationed in the Republic. It hardly is serious to think that this military force could block the spread of a conflict to the territory of Macedonia, if such a conflict erupts. The question of who will defend whom in that case seems much more serious. Is it the Americans and Scandinavians that will guard the Macedonians, or is it the frail Macedonian Army that will find itself in trouble trying to save the peacemakers?

In any case it seems that General Simarc Thomsen [as transliterated], commander of the UN troops in Macedonia, is very pleased today. He does not think that the U.S. soldiers are needed, because the situation along Macedonia's borders is calm. Nevertheless, recently the Scandinavian general expressed overt pride with the fact that he one of the few foreigners who have commanded U.S. troops. This really is a rare honor that few people have enjoyed.

Officials Report on Foreign-Debt Situation

AU2107172993 Sofia BTA in English 1542 GMT 21 Jul 93

[Text] Sofia, July 21 (BTA)—The reports of a breaking off or a failure of the latest round of Bulgaria's negotiations with private creditor banks in Frankfurt early this week are due to insufficient information, said Mrs.

Mariyana Todorova, head of the Foreign Debt Commission with the Council of Ministers. At a briefing held here today Mrs. Todorova, Mr. Emil Khursev, deputy governor of the National Bank of Bulgaria (BNB), and Mr. Ventsislav Antonov, director of the Economic Coordination and Development Agency, spoke in greater detail on the progress of the negotiations with the London Club. Yesterday Mrs. Todorova returned from Frankfurt where she had talks with representatives of Bulgaria's private creditor banks.

"Following the round of negotiations in late July at which we received the counter-proposal of the creditor banks, the cabinet held a session to assess the overall progress of the negotiations and decided to suspend interest payments which, as is known, the banks insists on receiving in the process of holding such talks. The meeting in Frankfurt concerned the suspension of payments and Bulgaria's financial state. Before reaching an agreement it is very important for the creditor banks to specify their stands on Bulgaria's actual potentials to pay back her debt," Mrs. Todorova said speaking of the purpose of the latest round of negotiations with the Bank Advisory Committee adding that this round of negotiations was initially planned as a one-day one. Obviously the banks are worried by Bulgaria's failure to pay the interests on the second quarter but, according to Mrs. Todorova, they understand the great difficulties experienced at present by the Bulgarian economy, including as a result of the losses it has suffered from the enforcement of the embargo against Serbia-Montenegro.

It was agreed with the chairmanship of the Bank Advisory Committee to specify the date for new negotiations at the end of August, Mrs. Todorova said. In the meantime the Economic Subcommittee will set forth before the Bank Advisory Committee its view of Bulgaria's potentials to pay its debt. We hope that these evaluations will make the creditor banks revise their proposal of late June and proceed to further rounds of negotiations, Mrs. Mariyana Todorova said. "If Bulgaria's creditor banks wish to reach an agreement they should acknowledge this country's real potentials to pay, they is no alternative to this," Mrs. Mariyana Todorova said. She specified that the total sum of Bulgaria's debt to the London Club is $9,300 million. Mrs. Todorova declined to comment on whether the government has the right to decide to suspend payments. According to BNB Deputy Government Emil Khursev, the government has the right to approach parliament with a request to continue payments but it also has the right not to approach parliament. In this case the Council of Ministers chose the second option, according to Mr. Emil Khursev.

Asked of possible speculations with the price of Bulgaria's foreign debt, Mr. Ventsislav Antonov said that after the agreement of last September when Bulgaria started paying 20 percent of the current interests on its debt, Deutsche Bank actually took control over the price of Bulgaria's foreign debt on the secondary market aimed at not allowing it to fall very low at the time of the signing of the agreement. This, according to Mr. Antonov, actually excludes all possibilities for larger-scale speculations with Bulgaria's foreign debt price.

Klaus Rejects Antall's Challange to 1945 Decrees

LD2207152693 Prague CTK in English 1503 GMT 22 Jul 93

[Text] Prague, July 22 (CTK)—In his letter sent to Czech Premier Vaclav Klaus on July 15, Hungarian Premier Joszef Antall suggested challenging the validity of the decrees issued in 1945 by Czechoslovak President Edvard Benes, Klaus told CTK today. This is completely unacceptable to the Czech Republic, Klaus added.

Under the Benes decrees, some 2 million Sudeten Germans and almost 32,000 Hungarians were expelled from Czechoslovakia after World War Two and their property was confiscated.

Reacting to Wednesday's criticism by Hungarian Foreign Ministry's spokesman Janos Herman that (on Czech Television) Klaus did not disclose Antall's letter in full and that he suggested such interpretation of it, which did not correspond to its original spirit and intention, Klaus said: Not only did I not disclose the whole of the letter, but did not even discuss the letter's second half, as I did not want to indicate to the Czech public what the Hungarians were suggesting to me.

As challenging of the Benes decrees is wh[illegible]ccept able to the Czech Republic, I felt that [illegible]ld not mention it before the Czech public, or disclose this Hungarian premier's idea to it, Klaus explained.

Klaus said that he kept the Hungarian suggestion simply to himself and only to his answer to Antall. He is surprised by the fact that just his silence about the proposal, kept in order not to stir Czech-Hungarian relations, is considered misinterpretation of Antall's letter by Hungarians.

Klaus stressed that he did not disclose the letter at all, but he only told Czech Television that he had received it and had not been pleased by its urging Czechs to ally with Hungarians regarding stands on the status of ethnic minorities living in Slovakia.

I felt that I had no right to publish the premier's private letter in media anyhow, Klaus stated, adding that the same applied to his answer to Antall.

To my big surprise, Hungary itself disclosed Antall's letter (sent to Klaus on July 15 -ed) the next morning. It was not me who did it, Klaus underlined.

Arms Allegedly Destined for Bosnia Discovered

LD2207172193 Prague Stanice Praha Radio Network in Czech 1630 GMT 22 Jul 93

[Text] Slovene police found more than 150 metric tons of weapons and ammunition at Maribor Airport, probably originating in Bohemia or Slovakia. The Belgrade newspaper POLITIKA said today that they were allegedly destined for Bosnian Muslims. Several thousand submachine guns and several dozen mortars were hidden in 11 containers diguised as humanitarian aid the daily said. Hundreds of artillery projectiles and a large number of various other types of ammunition were also uncovered.

(Petr Kipr), the Czech Republic's ambassador to Slovenia, told CTK on the telephone that there was no official anouncement regarding the origin, destination, and purpose of the arms consignment. Ljubljana newspapers merely said that the arms were from an East European country.

A Czech Foreign Ministry spokeswoman Lucie Pilipova commented on the POLITIKA report today. In a news release for CTK, she emphasized that the ministry did not know about any violation of the UN embargo. The Foreign Ministry has granted no consent to export military equipment destined for the countries of former Yugoslavia. The ministry is looking into this affair. The spokeswoman did not rule out that these weapons could have been imported either from a third state or that they could have made their way to the former Yugoslavia from the former Czech and Slovak Federative Republic.

Klaus Rejects Dlouhy's Economic Prediction

AU[illegible]93 Prague CTK in English 1808 GMT 20 [illegible]

[Text] Prague July 20 (CTK)—Czech ministers do not share the view that the state of the Czech economy will worsen, Premier Vaclav Klaus said after a consultative meeting of cabinet members today.

I would like this to be said clearly, he pointed out.

The meeting has found nothing that would cast doubt on the prospects of the Czech economy, Klaus said.

He was reacting to a prediction by Industry and Trade Minister Vladimir Dlouhy of July 16 that a worsening of the economic situation of the Czech Republic should be expected in the second half of the year and maybe in the first half of 1994 as well.

Klaus: Economic Development Improved in May

AU2207125093 Prague CTK in English 1819 GMT 20 Jul 93

[Text] Prague July 20 (CTK)—The economic development was better in May than in April according to all six indicators of the latest data compiled by the Czech Statistical Office (CSU), Premier Vaclav Klaus said after the cabinet members' meeting today.

He added that he did not herald this as a sort of final victory. As far as the future development of the economy is concerned, the meeting did not find anything disturbing, stated Klaus.

The industrial production was two percent lower than a year ago, while the data from previous months were worse, announced Klaus. The building industry output, retail trade and exports (excluding Slovakia) have

increased. Exports to Slovakia have decreased against May 1992, but less than in previous months, noted Klaus.

The first estimate of the May gross domestic product seems to indicate a 2.6 percent increase, said Klaus. He stressed that these results were really better than in preceding months. That is the only conclusion I can draw, declared Klaus.

Low Imports Make Protection Measures Difficult

AU2107130293 Prague CTK in English 1942 GMT 19 Jul 93

[Text] Prague July 19 (CTK)—The low import shares in the domestic production and consumption of certain farm produce make it difficult to apply protection measures on an international level to guard the domestic market as demanded by farmers, Miroslav Somol said today.

In 1992, the former Czechoslovakia imported new potatoes totalling 2 percent of their total domestic production output, Somol, Czech deputy minister of trade and industry, told journalists.

Imported gherkins comprised 3.2 percent and fresh apples 5.2 percent of their domestic production. Imported potatoes made up 1.9 percent of the total consumption, gherkins 3.1 percent and apples 6.1 percent, Somol said.

Long-term legislative measures should be a start for protecting the domestic market, said Somol. He added that the Czech Ministry of Trade and Industry had already worked out such draft measures, especially a law on extraordinary political-commercial measures. He did not specify them.

At the same time, a law facilitating legislative protection of the Czech market in case of a threat of dumping imports, has been prepared, the deputy minister said.

He stated that short-term measures, such as avoiding automatic granting import licenses, can protect producers only temporarily, and can harm the Czech economy.

Somol said that agricultural commodities were those showing the highest growth in customs duties according to the new customs duties rate book.

Ministers Agree on Stricter Retirement Regulations

AU2207133493 Prague CTK in English 2026 GMT 20 Jul 93

[Text] Prague July 20 (CTK)—Stricter regulations will be applied in sanctioning early retirement, Czech Government ministers agreed at their meeting today.

Premier Vaclav Klaus told journalists that as from January 1, 1994, the granting of early old-age pensions would be linked to meeting several new conditions.

The most important one is for the applicant to be unemployed for at least 180 days and to be seeking a job, Klaus said.

The present regulations make is possible to retire two years before reaching retirement age. Under valid legislation, men are entitled to retirement upon reaching the age of 60, childless women at the age of 57 and women having children at 56, 55 or 54 years according to the number of children.

New legislation is being prepared under which the retirement age limit would be raised.

Ministers Approve Privatization Project for Cedok

AU2207135193 Prague CTK in English 1940 GMT 20 Jul 93

[Text] Prague July 20 (CTK)—At their meeting today, Czech ministers approved a privatisation project for the Cedok travel agency, Czech Premier Vaclav Klaus told journalists.

Klaus added that the project needs to be fine-tuned for the dividing of the present Cedok on the Czech Republic territory into a Cedok joint-stock company (a travel agency) and a Cedokinvest state enterprise which would keep with all the problematic activities.

Through liberating Cedok of the problems connected with the existence of the Tourinvest and Hotelinvest joint ventures, the state would like to enable the normal functioning of the travel agency, Klaus said.

Before the end of the year, Cedok should cease to appear in discussions on property issues between the Czech and Slovak Republics, he added.

Privatization Minister on Second Wave of Vouchers

LD2307051393 Prague CTK in English 2216 GMT 22 Jul 93

[Text] Prague, July 22 (CTK)—Enterprises can begin to register for the second wave of voucher privatisation on October 1 and the actual start of ordering shares of enterprises undergoing privatisation is expected to begin after January 1, 1994, Privatisation Minister Jiri Skalicky said today.

He was speaking after meeting with chairman of the executive committee of the National Property Fund Tomas Jezek.

Skalicky said the process of setting up companies should end by December 31 so that concrete offers, including all pertinent data on assets, can be released.

The minister called the agreement on the facilitation of founding companies, setting their capital stock, and preparing their financial statements the most important results of the July 22 talks.

Jezek said this would diferentiate between registered assets and assets which would be determined by the ending balance and preparing statements.

In the first wave of voucher privatisation last year these differences were determined through the help of an artificial accounting configuration—the so-called differential investment fund, Jezek said.

He added that this resulted in a redistribution among companies where assets were taken from the better ones and given to the weaker ones. We have crossed over to another system when we will transfer the mentioned differences between registed assets and declared assets determined through accounting procedures to reserve funds, he said and added that joint-stock companies privatised in the second wave would have different reserve funds.

Skalicky feels that the time pressure increases the likelihood that projects which are in a very low stage of elaboration at the branch ministries have a chance of getting in to the second wave. We must therefore remind the ministries and other bodies submitting projects that they need to be handed over as soon as possible, he stressed.

The exact amount of property which will go to the second wave of voucher privatisation cannot be definitely verified at the present. The number of projects which will be approved is not known but, we already know now that the entire orginal offer from the area of state farms will probably not be carried out, Skalicky pointed out and added that, according to what is known, the assets of state farms are not beneficial for voucher privatisation.

Differences Within Coalition Discussed

LD2207183093 Prague Stanice Praha Radio Network in Czech 1630 GMT 22 Jul 93

[Excerpts] There is no dispute between Premier Vaclav Klaus and Foreign Minister Josef Zieleniec that could lead to some kind of speculation or complications in our foreign policy, asserts Civic Democratic Party [ODS] spokeswoman Jana Petrova. Correspondent Daniel Takac has more details.

[Takac] Vaclav Klaus added that at present there are a number of problems that must be solved:

[Begin Klaus recording] To try to uncover at any cost some kind of quarrel between one and another individual, one and another political party in the government coalition is simply unnecessary. The ODS is sorry about that. I personally am sorry. Let us try to concentrate on serious matters. [end recording]

[Takac] It is therefore not necessary to search for artificial differences where they do not exist. [passage omitted]

In spite of the fact that the tripartite meeting on Tuesday [20 July] had agreed on something else, the statement made by the trade unions about the breach of the general agreement did not surprise Labor and Social Affairs Minister Jindrich Vodicka. Certain subjects on our political scene are behaving in a certain manner that is traditional for them.

[Begin Vodicka recording] I proclaim that no drama has occurred in the relations between the government, trade unions, and employers. [end recording]

[Takac] The next tripartite meeting on 19 August should help. The stand of the Liberal Social Union [LSU] deputies' club has the sympathy of the ODS. According to ODS Deputy Chairman Josef Vlach, LSU club members are approaching problems in a practical way.

Jiri Kovar [former head of the office of the Czech Government] will remain a member of the ODS and head of the party branch in Hodonin.

Defense Minister Halts Screening of Soldiers

AU2207153293 Prague LIDOVE NOVINY in Czech 20 July 93 p 16

[Report by Jan Gazdik: "Disillusionment Dominates Among Professional Soldiers"]

[Text] The screening of professional soldiers ordered by Defense Minister Antonin Baudys this May has been a cause of numerous controversies from the very beginning. The disputes apparently culminated on Wednesday, 14 July, when the minister halted the screening.

According to the finding of the Army chief of staff, General J. Nekvasil, the assessors do not respect the spirit of the ministerial order, they conduct their appraisals only formally, and suppress certain questions—particularly the job-related duties and personal involvement under the former political regime. As the finding states, the avoidance of these questions damages the mutual trust between the Army and the public.

High-ranking ministry officers (who do not wish to be named) describe the standard of the interviews so far as an "unheard-of mockery." They believe that the screenings evoke in commanding officers the same disillusionment as the prerevolutionary performance review of professional soldiers ordered by then Defense Minister General M. Vacek. "It ended in the same manner: Those who do not have friends among the assessors do not have much hope of keeping their job at the ministry," a high-ranking officer told a LIDOVE NOVINY reporter.

According to other dependable Defense Ministry sources, Minister Baudys responded to objections by the Parliamentary Defense and Security Committee by

halting the screening. Allegedly, it is not the minister's problem who commands a division; it should trouble the Army chief of staff, who in turn is selected by the minister. The same people admit, however, that many first-class experts who are disgusted by the constant reviews of their ability and character are leaving the Army (without waiting for the screening).

After a conference with his deputies and the Army chief of staff, A. Baudys reintroduced the screening.

Ministries Draft Border Agreement Clause

AU2207125793 Prague CTK in English 1746 GMT 20 Jul 93

[Text] Prague July 20 (CTK)—The Czech Ministries of the Interior and Foreign Affairs have prepared a clause to the Czech-Slovak agreement abolishing visa requirements for Czechs travelling to Slovakia and vice-versa, to be submitted to the government's session on Wednesday [21 July], Beata Bernikova from the Interior Ministry told CTK today.

The clause, reflecting the Friday agreement between the Czech and Slovak Premiers, Vaclav Klaus and Vladimir Meciar, says that citizens of third countries are allowed to cross the Czech-Slovak state border only at the existing customs points, she added.

Under the Klaus-Meciar agreement, citizens of both republics will continue to be able to travel between the two countries at any crossing point, using only domestic identification documents, while third country nationals will have to cross at specific border points.

The Czech-Slovak governmental agreement abolishing visa requirements was signed in Prague on October 29 and took effect on January 1, 1993, the day when the former Czechoslovak Federation ceased to exist.

Havel Discusses Fall of Communism

AU2307084893 Warsaw GAZETA SWIATECZNA in Polish 17-18 Jul 93 pp 8-10

[Interview with President Vaclav Havel by Adam Michnik in Lany on 5 June 1993: "Politics Is Not Dirty Work"]

[Text] [Michnik] I would like to ask you what is going on in the world. There is a war in Yugoslavia, the Soviet Union has collapsed, Russia is on the verge of major upheavals, in Germany we see brutal murders of foreigners every week, and in Italy we see, for the first time since World War II, a major crisis of the democratic order because the entire political system has been discredited. What is happening to the world?

[Havel] That is a question which I, myself, have frequently pondered, and I have incorporated certain thoughts into my speeches. They receive a positive echo abroad, but in my own country they are often considered unpractical philosophizing or daydreaming. I think today's world must ask itself this question. In it I detect two different dimensions—a concrete one, and a more general one.

The concrete dimension involves the fall of communism. That is a phenomenon that is insufficiently appreciated and understood either in our own countries, which lived under the communist yoke, or in the West. For years, the western world viewed communism as the main danger, but at the same time this danger served to keep it united. The West became accustomed to this bipolar division of the world. It awaited the fall of communism with hope, but it was not really prepared for it. Today the West is taken aback, and I have the impression that some western politicians are secretly longing for the old days when the world was simpler and more understandable thanks to the world's division into two parts—a communist part and a democratic part.

The fall of communism is a historic event that I have, several times, likened to the fall of the Roman Empire. It will take the world many decades to regain its balance after this event. The outburst of nationalism, populism, terrorism, and constitutional crises is connected with society's complete shock, the shock of new-found freedom. The old system of values and guarantees to which society was accustomed has gone, and society is unable to establish a new system so quickly. In addition, communism ruled in countries that, even before the communist era, had still not resolved problems regarding their statehood and relationships with their neighbors. Now everything accumulated by history has suddenly burst out into the open; raining down upon us are not just the problems caused by communism, but also problems dating back many centuries. In the course of decades, the democratic states were able to establish some kind of statehood and international coexistence. But for the East this remains an unresolved task. So much for the concrete dimension of this problem.

There is also a more general dimension, which I would describe as a crisis of modern civilization.

[Michnik] I asked about Germany and Italy because the things happening there are incomprehensible. How is it that in Italy, a stable and democratic country, the political system is being totally discredited and 80 percent of the population is voting against it? How is it that in Germany, which was a model of European democracy, there is hardly a single day or week without barbarian acts that never occur in Poland or in the Czech Republic?

[Havel] I would be very careful about linking terrorist acts in Germany to thoughts on the German character or on the expansionist, nationalist, or xenophobic trends inherent therein. Some dark, submerged German tradition might only play a marginal role in this phenomenon. The main reason is the crisis in the pattern of modern civilization, which, by the way, also concerns Italy.

I think that Italy has experienced a typical crisis of conventional parliamentary democracy created on the

basis of the system of proportional representation (I am firmly against this system, and prefer the simple majority system). Power in that country has become increasingly concentrated in the party elites, which have become stronger than elected bodies. In addition, the power elites, being beyond social control, are more susceptible to corruption.

On the other hand, in Germany we are dealing with what the Czech philosopher Vaclav Bielohradsky once described as a "problem of the multicultural nature of the modern world." Today's world is part of a single civilization. All over the world there are the same television sets, the same radios, the same Coca Cola advertisements, and the same cars. Everything is linked by telecommunications systems and airline routes.

This joint civilization is mainly responsible for the shape of our world today. For thousands of years, mankind lived in isolated cultures that had little contact with each other, and preserved their separate identities as a result. But today, the different cultures are beginning to defend themselves against global civilization, which is erasing the differences between them. For example, we are observing a confrontation between Islam and Christianity, we see what is happening in India, and we see Europe's behavior toward people from other cultures. In this regard, Germany is like a litmus paper, because it has been more open to refugees than any other country.

We know that if 25 people stay in a very small prison cell, eventually they will hate each other. Our world is becoming more and more like a prison cell inhabited by various cultures that are protesting against being closed in, and are fighting mainly against each other. It is probably easier said than done, but the only way out of this situation is for each group to try and understand the other groups as much as possible and seek a minimum level of values that the other groups also possess. This minimum level of values should provide the basis for international coexistence.

Otherwise, things will only become worse. Terrorism in Germany or corruption in Italy are merely two examples showing how dangerous this situation is and how it may threaten all mankind in the near future, especially at the present level of scientific development when practically every single terrorist can gain access to weapons of mass destruction or upset the world banking system.

Our civilization is experiencing a crisis. It is in danger, and human intellect and conscience are facing a challenge to find a way out. This is a problem that torments me, a problem to which I keep coming back all the time. People criticize me for this, complaining that I occupy myself with abstract matters instead of dealing with practical problems like the amount of value-added tax.

[Michnik] Four years ago, the first democratic parliamentary elections took place in Poland, even though they were governed by a previous agreement. Shortly afterward, when I was already a Sejm deputy, I came to Czechoslovakia and visited you in the Hradschin. While walking on Charles Bridge, I had a feeling that, in this city, among all this architecture, there was no room for communism any more. Soon after that the Berlin wall fell, the "velvet revolution" occurred, changes occurred in Bulgaria, and Ceausescu was ousted in Romania. That was a great year. On the 200th anniversary of the French Revolution, a great antitotalitarian revolution took place in our region. How do you sum up these four years? What are our greatest successes and greatest failures?

[Havel] That is a very difficult question. Generally, the greatest failure is that we did not foresee the outbursts that would occur after the fall of communism. Even though we considered ourselves realists and even skeptics—remember when you were in the Hradschin and you said that communism would not last much longer, and I replied "wait, things are not going to be quite so simple"?—all of us, or most of us at any rate, thought that if communism had gone, things would be simple. We thought we would gradually build democratic institutions and a civic society, a market economy, international friendship, and institutions of global security. But all this has turned out to be difficult.

We can see how many wars are being fought on former communist territory. There are as many as 40 local conflicts inside the former USSR, and at least three in Yugoslavia. We have failed to appreciate the enormity of these problems, and we are finding it difficult to cope with the new, unforeseen phenomena. I consider this lack of foresight a misfortune.

Our success, on the other hand, is no doubt the fact that we have restored normal, democratic, and pluralistic structures. After all, for 40 years not only democracy was destroyed, but the whole of politics (what we had before can only be described by administration over the state by a hierarchical apparatus of the communist party). And yet we succeeded in creating some kind of political class and parties, as well as other institutions. There is pluralism, and free elections have been held.

Another success is that we have found people with the ability to take charge of ministries for a few months or years during such a gigantic restructuring of the entire system. It may sound odd to say such a thing, but the downfall of communism might have left us with no one capable of running a government. Where would we have obtained politicians with the knowledge to run a government and individual ministries? In the West, some people occupy themselves with politics at the age of 15. By the time they enter parliament, they have 20 years of political life behind them, and by the time they become ministers, they have 40 years of political life. But we took over political functions overnight. And yet our democracies are functioning, albeit with certain problems. Our countries are generally recognized as sovereign and democratic, with their own democratically elected parliamentary representatives. That is a major success, especially when I view this matter from my own angle. After

all, I too became president overnight. Not only had it never crossed my mind before, but I had absolutely no idea what a president does.

[Michnik] What, in your opinion, is the nature of the present process of transformation?

[Havel] The objectives of this process are the same in every postcommunist country, but each of these countries has its own ways of reaching them.

[Michnik] There used to be different paths to socialism, and now there are different paths away from it.

[Havel] Yes, and these different paths away from socialism are not just the result of differences between politicians, but mainly the result of differences between the historical traditions and social structures of each country.

The basic areas of these transformations are clear. They are, first, the conversion of a centralized economy into a market one. Second, the transformation of the entire legal system, requiring the amendment of virtually every single law. Third, the conversion of the entire political system, from a totalitarian, dictatorial system into a system of pluralist democracy. And fourth, perhaps the most important one of all, the transformation of human consciousness and the way of thinking. As far as this last point is concerned, a world which we could curse and swear all day long, but to which we had nonetheless been accustomed, has gone. Now we have to grow accustomed to a completely new world. This spiritual and moral transformation is perhaps the most difficult one of all.

[Michnik] Each of the postcommunist countries contains two dangers for democracy, which together form a trap. On the one hand there is a charismatic leader who, as a father of the nation, knows better than anyone what should happen, and who is accepted by the people. On the other hand there is chaos and growing anarchy among the political class, which is learning the principles of democracy and how to function in a law-governed state, but before it has finished learning them is upsetting the structure of the state and leading it toward chaos. Chaos, as we know, cannot be reformed. The only road from chaos is to dictatorship. How does the problem appear in the Czech Republic, where you are a charismatic leader, and Slovakia, where someone else is a charismatic leader?

[Havel] I do not know how one recognizes charisma, and I do not know if I have it. I tend to think not, because when I see myself on television, I develop such a revulsion that I switch it off.

[Michnik] One usually sees charisma only in others. Only an idiot sees charisma in himself.

[Havel] I have heard of leaders who enjoy charisma mainly in their own eyes. But seriously, I do not know to what extent I am a charismatic leader, nor do I know to what extent I would like to be one. However, it is obvious that a politician who is supposed to decide on basic issues on behalf of the citizens of his country must enjoy society's respect. But he becomes suspicious if he tries to use his influence in order to lead his people astray.

Everyone has a dark side, something suspicious about him. With his activity or charisma, a politician can either activate our good sides or our dark sides. A typical example is Hitler. There is no doubt he had a good side, i.e. charisma and the power of speech, but he used it to activate the worst qualities in man.

In a nascent democracy, when the old system of values has collapsed, there is a natural danger that someone might appear and suggest the wrong values. People require security guarantees. That is exactly what populist leaders, the kind who say "I am your guarantee, I know how to solve all your problems, I will do everything for you," are preying on. Leaders of this kind treat parliaments, political parties, and free media as a ballast that interferes with the fulfillment of their "leadership mission."

The second side is, as you said, chaos. Of course, in a situation where everything is changing, there is a danger that it will end in chaos. But I do not think the election of a charismatic leader can save us from chaos. Only the authority of democratic institutions can do that. However, it takes years to create this authority, not a few weeks.

[Michnik] We mentioned populism. What are the signs of this populism in Czech society today?

[Havel] Czech populism is unlike its post-Soviet, Polish, or Hungarian equivalents. It is more modest, more gentle, and less bold and conspicuous, because everything in my country is more modest, more gentle, and less bold and conspicuous.

Unlike Poland and Hungary, we have not had a landed gentry in the last few centuries. The landed gentry was wiped out, expelled from the country, or Germanized. The impulse for our national rebirth came from the common people, who cultivated a respect for national traditions. Not even our communists, who built themselves extravagant villas and enjoyed numerous privileges, succumbed to such Byzantinism as, for example, Zhivkov in Bulgaria. We are simply more down-to-earth, more democratic and petty bourgeois. We possess a certain feeling of "neighborliness," provincialism, and caution. That is why Czech extremists are not as dangerous as extremists in other countries.

By tradition, our extremists are fuelled by nationalist grudges and animosity. A typical example is the anti-German feeling shaped over the past two centuries, when the Czech people were constantly forced to solve the problem of their existence with the Germans next door. It is typical that the people who voted for the communists or Sladek's Republicans, and who claim that we are in danger of a German economic and political colonization, are putting up "Zimmer Frei" [German expression

used] signs on their doors and are eager to earn a few marks from every German. That is a typical Czech phenomenon.

[Michnik] It is just the same in Poland.

[Havel] Anti-German sentiment is a typical example of our populism, but not the only one of course. Another example is the social demagogy whereby people refer back to 40 years of communist upbringing, saying that the rich are exploiting the poor and it is a shame to have property and even be successful. What is interesting is that some of the people who say this claim to belong to the right wing, and thus one would expect them to support economic and political liberalism. However, these are the very same people who voted for the communists four years ago and held various functions, for example inside the Czechoslovak-Soviet Friendship Society. Today they are great warriors of capitalism, and yet they become angry when someone is rich.

[Michnik] Let me ask you something I am not quite sure about. Links between Czech culture and German culture were very lively. Prague was a cosmopolitan city. Germans and Jews lived there, and Franz Kafka wrote his books in German. In one of your first speeches following the "velvet revolution," you spoke about a debt that is owed to the Sudeten Germans. What is the problem with the Sudeten Germans today, and how does it relate to the historic Czech-German cultural ties?

[Havel] If our country is to be more than just one of 200-250 other countries, if it is meant to have prestige and respect, then its existence cannot be based on lies, errors, or stereotypes. That is why I regularly touch upon sensitive issues concerning our existence, issues that are are shrouded in oblivion, prejudice, or self-adulation.

During the war, we had many brave members of the resistance, but we had a thousand times as many collaborators. Society did not identify itself with people in the resistance, and viewed them as hooligans and a threat to national security (just like they viewed the dissidents in the 1970's and 1980's). But as soon as World War II was over, thousands of alleged partisans suddenly appeared. Each one of them boasted about his services, took revenge on Germans (even those Germans who had done nothing wrong), donned a red armband, and covered himself in medals. The communists took advantage of them, because they needed people who had things on their conscience. For example, they turned ex-Gestapo agents into informers. Because of an inability to oppose wrongdoing and the resultant feeling of degradation, reaction to this wrongdoing, once it has been overcome, tends to be delayed. That was the case after the war, and that is how it is after communism. Those who are crying out for revenge the loudest are the ones who commited dark deeds in the past. These are not topics society likes to hear, but I think they should be spoken about for the sake of society's psychological well-being.

National awareness cannot be based on stereotypes and forgeries. In the 19th century, Vaclav Hanka forged documents, claiming they were 1,000 years old. He thought that, in this way, he would encourage the revival of Czech national consciousness and improve the well-being of Czechs.

[Michnik] But Masaryk, the creator of independent Czechoslovakia, revealed what he had done.

[Havel] Yes, because one cannot build a national identity by means of forgery. However, one also cannot talk of restoring to the Sudeten Germans their property and repairing the whole of history. History is so full of injustices, wrongs, and the confiscation of property that claims for compensation and redress would go on forever. However, one must openly admit to the fact that the Germans were expelled forcibly, and especially the excesses that took place during this expulsion. This admission lies in our interests.

As head of state, I think it is my duty to touch upon unpopular topics. The president is elected for five years and cannot be recalled by parliament, so he need not be dependent on the fluctuating moods of voters as political parties. I think this special, almost exclusive, position imposes an obligation, as it were, to say unpopular things.

[Michnik] I like what you say and agree with it. When we spoke 18 months ago, I asked you about the decommunization law adopted by the Czech parliament, a law that you signed. Looking back, I think that was the only major mistake you made as president. I was not sure then, but now I am sure that you should not have signed it, What do you think?

[Havel] If I were given the law to sign today, I would not sign it. However, the signature of a Czech president beneath a law possesses a completely different significance than that of the Czechoslovak president in the past.

According to the present Czech constitution, the head of state may either sign a law or refer it back to parliament to be reconsidered. If the president does sign the law, that means that he agrees with it. If he does not sign it, parliament must once again adopt it by a majority of votes, and then the president has no choice but to sign it.

According to the previous constitution, the president had no right of veto. My signature only meant that I would implement the law, not that I agreed with it. Even if I had not signed the law, it would have come into force all the same. My refusal to sign it would have been merely a gesture, an expression that I would not respect this law. It would have caused tension, even a state of war between parliament and me, but it would have had no concrete effects whatsoever.

On the other hand, though I was deprived of the right of veto, I did have the power to propose legislation. So I signed the decommunization law, because that was a mere formality, but I immediately proposed amendments to it. In the end, parliament did not consider my

proposal, but I had no other possibility. I admit that this was a major dilemma, for my refusal to sign would have been nothing but an empty dissident-like gesture of no practical significance.

I am telling you all this in detail because when I was in Poland, Jacek Kuron also criticized me for signing the decommunization law. But he did not know how limited my powers were. In Poland, the president does enjoy the right of veto, that is why you Poles think in your own terms. Today I also have this right, and I would not sign this law.

[Michnik] How do you view the results of the vetting law today?

[Havel] I get the impression that the law fulfilled a certain psychological need in society, which wanted to feel that it had settled accounts with communism, with the agents and the secret service people, that they had been removed from public life. Psychologically, it was a great success, but, in substantive terms, it was no success at all. After all, if someone had consciously collaborated with the security service over a long period of time, he did not seek a post in the state administration anyway, because he was not stupid. That kind of person became a private entrepreneur a long time ago and is earning a hundred times more than in a state post.

On the other hand, it has to be stated that the law and the illegal publication of a list of security service collaborators in the publication RUDE KRAVO resulted, even more, in countless human tragedies. I know of cases of suicide, when children jumped out of windows, because they found out that their father appeared on that list. There were also a great many people on the list who never suspected that they might find themselves on it. After all, the lists came about in a very strange way. I know of many cases of people who were absolutely untainted and innocent finding themselves on those lists and now they have been publicly branded for life. I even know of cases of people who found themselves on the lists through an obvious mistake, that was later denied, but no one can rectify what has happened any more.

The whole affair is very sad and unpleasant, but fortunately it is behind us. It no longer interests anyone.

[Michnik] For the past 70 years, Czechoslovakia has been a state inhabited by at least two nations. I said at least, because there also other nations who live here: for example, the Hungarians or Ukrainians in Slovakia, the Germans or the Poles in the Czech Republic, and the Gypsies who live in both republics. In the context of the war in the Balkans, I get the impression that the very dangerous utopia of an ethnically pure state is enjoying a revival in our state. What I hear from very many lips, both Serbian and Croatian, and previously Slovak is: Serbia for the Serbs, Croatia for the Croats, and Slovakia for the Slovaks.

[Havel] I am, of course, on the side of those who oppose the nation state. I would even say, in broader terms, that I am on the side of those who oppose the national principles itself. I believe that what one can term our fatherland has many layers: the family, the district, the town, one's profession, circle of interests, faith, nation, European civilization and so on. If we isolate one of those layers and raise it above the others, that marks the beginning of human misfortune. That not only applies to the nation state, but also to religious states, as we can see in the Middle East. It also applies to states based on an ideological principle, which we ourselves experienced in the communist era. All those things lead to war.

I am an advocate of the civic principle and of civil society, because, in my opinion, that principle embraces all the layers of what I have termed the fatherland. The civic principle does not deny that you are a Pole and that I am a Czech; it does not deny that one of us may be a believer and the other an atheist, or that one of us lives in Warsaw and the other lives in Prague. The civic principle does not call into question any of the layers of the fatherland, the home, but goes beyond all of them. The only way to prevent the eruption of a cult of ethnocentrism is to vigorously propagate the principle of a civil society, and that has to be done here, in Central Europe, or perhaps even further south, in the Balkans, where nations and ethnic groups are so intermixed, that the construction of a state on ethnic principles is a dangerous and technically unattainable utopia.

We should consider just one thing: No ethnic conflicts arose in Yugoslavia when, under Tito, the state was based on an ideological principle that subdued nationality questions. As soon as that principle collapsed, there was an immediate ethnic explosion, because there was a lack of social forces capable of adequately forcing through the civic principle, which could have prevented conflicts and war.

In this context, what seems exceptionally important to me are the EC's integration efforts, which are apparent if only in the Maastricht treaty. The document may have a thousand faults, but it is, nevertheless, a move in the right direction, toward overcoming the nation state and toward attenuating the traditional geopolitical animosities and rivalries that have rocked Europe for thousands of years. This trend may turn our continent into an association that cooperates; an association based on the principle of unity in diversity; an association in which no one is deprived of his national identity, but the dogma of the need for the nation to organize itself into a state in opposition to other nations will be dispelled.

[Michnik] The Czech Republic is not a country with a single religion. There is a strong Catholic tradition here, as well as a strong Protestant, Hussite tradition. How does religious pluralism impact on the Czech Republic's national and cultural identity? How have relations between church and state developed since the "velvet revolution," and how are they currently evolving? I know that there is a debate in progress about the reprivatization of church assets. What is your position on this issue?

[Havel] I think that, today, coexistence between various religions is a positive fact in our country. There are no fundamental strains between Protestants and Catholics nowadays. I have participated in many ecumenical services that have involved the participation of representatives of all the churches, not only Christian ones, and I do not see any problems in this area.

[Michnik] But historically, what significance did this form of pluralism have for Czech culture?

[Havel] As you know, I am not a historian, but, in the nineteenth century, during our period of national revival, this form of pluralism was a very significant factor. Of the main figures during this period, there was, for example, Frantisek Palacky on the Protestant side and, for example, Josef Dobrovsky on the Catholic side. Following World War I, there was considerable hostility toward the Catholic Church, because it was earlier linked to the Austro-Hungarian monarchy to a significant degree. However, that later changed, and in recent years—for example, during the communist period—the significance of the Catholic Church grew, because it was one of the main opposition forces.

There is currently a great deal of commotion about returning church assets, but essentially, it does not constitute a fundamental problem in church-state relations. We are not threatened by any kind of clericalism. The communists confiscated all the church's assets, and now there is a debate over how much of it should be returned. I personally believe that as much as possible should be returned.

To my mind, it is indisputable that religious buildings—churches, chapels and monasteries—should belong to the church once again. Ownership rights for buildings serving social, medical, or educational purposes should also be restored as long as the law would guarantee that they would remain such institutions for a longer period of time, on the same basis as at present. As far as forests are concerned, from a purely pragmatic point of view, I believe that returning them would be the simplest way to privatize them. The church itself would find people who would want them, and the state would have one less problem on its mind. The privatization of the forests through the creation of corporations is a much longer road, one involving more work and risks. Agricultural land is the greatest problem, and I have not formulated a view on that yet; it is possible that every case should perhaps be considered individually. However, irrespective of how the issue is finally resolved, I sometimes get the impression that the commotion about the whole affair is primarily the result of newspapers wanting to have something to write about.

[Michnik] Some time ago, the PWN [State Publishing House for Scholarly Works] published a Polish edition of "Letters to Olga," in which you write at length about man's metaphysical needs. In your opinion, what place should religion occupy in a democratic society?

[Havel] In the "Letters to Olga," which I wrote in prison, I endeavored to formulate a position on my own existence and the cosmos. I became a sort of amateur philosopher. You yourself know that being in such a place simply compels one to philosophize. So, in the letters, I tried to describe what I had been reflecting on for a long time, but had never attempted to put down on paper.

I believe in some special recollection of being: I believe that our actions are judged somewhere and I believe that there is some metaphysical order. I am unable to accept the idea of a God that is incarnate and that is why I do not consider myself to be a Catholic or a practicing Catholic. However, I am a believer in some general, metaphysical sense.

This does not in any way mean that my faith is abstract: It affects my life in a very real way. Conscience, as an instrument of a higher order, always accompanies me, from morning until evening. My friend Martin Palous says that it even wakes up five minutes before I do. It really is a very physical experience, especially during crises. However, I do not think that there is some church for which that would be a conclusive argument for taking me under its wing.

[Michnik] How do you see the place of religion in the public life of a democratic state?

[Havel] I think that no faith, no religion, can become a state doctrine or ideology. In general, no ideology can be a state ideology. The state should be based on the idea of human rights and freedoms as well as on a canon of elementary moral principles, because a legal system ceases to make sense if it is not based on a generally recognized system of moral values. Why should the law be respected, if I am not obliged to respect it as a result of some inner conviction? This moral sense cannot be decreed, written into a constitution. It should simply exist, simply be present. For one person, its source may be some special form of metaphysics (as in my my case), for someone else, religion, and for yet another, something else, but the feeling simply has to exist if society is not only to function, but is to possess meaning in addition.

[Michnik] When I was in Morocco in December and gave a public lecture, in which I more or less said what you have said now, a certain young man got up: He was intelligent, very well-educated, an erudite Islamic fundamentalist. He said the following to me: "What you are talking about is European liberal ideology. You in Europe have a state of that kind and the result is pornography, abortion, narcotics, and homosexuality. We have our Islamic idea of the state. Why should your European liberal idea be better than my Islamic, religious one, the roots of which are God?" What would your reply to that be?

[Havel] The background and roots of our ideas and our view of the world and society may be different. However, that does not mean that the one or the other are wrong. Nevertheless, there is definitely no guarantee that,

within those environments, wrongs do not occur. In the name of Islamic fundamentalism, aircraft are hijacked, kindergartens are blown up, and Salman Rushdie is kept muzzled. Under Khomeini, in the name of that fundamentalism, thousands of people were executed and people had their hands or ears chopped off. Evil exists in various cultures. It is a challenge for what I talked about a moment ago, the search for a minimum common denominator for those cultures, a system of fundamental moral values on which all will agree. One can cultivate one's own separate identity if it does not violate a basic moral canon, but if it is violated, then there has to be intervention. This means that everything has to be opposed that breaks the fundamental norms of international social coexistence, irrespective of what cultural quarter that threat comes from. They do not have pornographic films, but they threaten to kill a writer. Which is more dangerous?

[Michnik] Has Salman Rushdie's book *The Satanic Verses* appeared in the Czech Republic?

[Havel] No.

[Michnik] Why do you think it has not?

[Havel] Our publishers are probably scared for their lives.

[Michnik] The book has been published in Poland and its publication was a very strange affair. No one knows who the translator and the publisher are. What would you do if *The Satanic Verses* were published in the Czech Republic and then a Moslem delegation came to you and said that the book offends their religious feelings and in view of that, it should be confiscated?

[Havel] Three years ago, when I was on an official visit to England, I spoke to Salman Rushdie on the telephone. I wanted to meet him in person, but the English authorities advised me not to, so I at least spoke to him on the telephone for half an hour. I have to admit that I have not read the book and I only know it from reviews. However, on the basis of what I know about it, I think that it has the right to exist. If someone is offended, I am sorry about that, but that does not make me go as far as violating the principle of the freedom of speech.

[Michnik] There are two states today: the Czech Republic and Slovakia, but there are still thousands of strands linking them together. What future do they have? Do you think that, in the future, they will become some kind of Benelux, separate states, but linked together through special ties, or will the border between the Czech Republic and Slovakia see the erection of a new iron curtain, or will there just be some kind of black hole?

[Havel] We want a normal, typical border with Slovakia, because every sovereign state must be able to control its own border. If it cannot, then it is not a sovereign state. It was not the Czechs' idea that we should become two separate states, the initiative came from the Slovaks above all. One cannot want one's own state and then not want a border, because that is absurd.

The border is needed for many reasons: duties, taxes, refugees, readmission agreements with other countries. It is simply necessary, but at the same time it in no way has to limit the freedom of movement of Czech and Slovak citizens across both countries. That freedom exists and will continue to exist, but there has to be a border. If there were no border, then we would not be two states, and there would have been no need for us to separate.

A border does not, however, mean some kind of "iron curtain"—to call it that is demagogy. We do not intend to erect an iron curtain on the eastern border, if only because we do not want to become a state that is the border between East and West. Even if we were not guided by moral considerations and feelings of solidarity, then from a purely pragmatic point of view, it would not lie in our interest to find ourselves between two worlds.

It is obvious that there are many strands linking us. Both economies are closely linked to each other, because for years they were developed as one organism. There are strong ties between people: There are 300,000 Slovaks in the Czech Republic, and over 50,000 Czechs in Slovakia. We have languages that are mutually intelligible without any difficulty. All these things predispose us to having the best possible and the closest relations in the future. This also lies in the interests of the entire region. If there was no peace between the Czech Republic and Slovakia, then there would be no peace in Central Europe, and if there was no peace in Central Europe, then there would be no peace in all of Europe. All that is obvious, but the future of our relations is still not clear.

There is a general will to cooperate on both sides, but practice does not always turn out well, because the political orientation of the government in Slovakia is substantially different from that of the victorious coalition in the Czech Republic. It is not just a question of a different concept of economic development and of certain differences over the orientation of foreign policy. Above all, there is a difference in the climate of politics, of political mentality, and of political style. On the other hand, all that is a a challenge for us to engage in patient, persistent work on both sides, so that mutual relations become increasingly better.

[Michnik] During that Charter 77 period of anticommunist opposition, intellectuals played an enormous role, and at least one example of that was the fact that they—you, Mazowiecki, Zhelev, and many others—found themselves holding the highest state offices. At the same time, the end of communism has meant that intellectuals have assumed a politically marginal role.

[Havel] I have also been thinking about that. Let us leave the postcommunist countries for a while and say to ourselves that today the world is in a situation in which it must develop a new awareness. And who should

articulate that if not the intellectuals? In other words, these times require intellectuals to be active in politics. The extent to which intellectuals from postcommunist countries will prove themselves in politics is another question.

It is not a simple matter. The whole structure of the way in which a politician behaves is different from that of the independent intellectual. The politician who is responsible for his country must speak in a somewhat different way, in a different form, and in a different language than the independent intellectual who might write an introductory article for GAZETA WYBORCZA. Nevertheless, I think that this represents a great challenge for intellectuals.

It might of course transpire that intellectuals will not be able to prove themselves in politics. I do not, however, recognize a programmatic avoidance of politics and statements that politics is dirty work whereas we are clean. That kind of approach is what makes politics dirty work, whereas politics should be really work of the cleanest kind, that of serving citizens. It should be pursued by those who are the most selfless, the most astute, by those who are best able to identify general links between various issues. If someone says that this is a forbidden area, that it should be left to people who have become tarnished, then that person is harming this world. I consider the intellectual who says that to be a traitor to the intellect, because he is renouncing responsibility for the world.

[Michnik] At one time, when there was no freedom, Czech literature, Czech cinema, Polish literature, Polish cinema, Hungarian literature, and Hungarian cinema were terms that meant something. Now we have freedom and there is no great culture in Poland, or in the Czech Republic, or in Hungary. Why is that? What has happened to the language of our culture?

[Havel] Of course, culture flourishes better under conditions of moderate repression than when there is no repression at all. It does not fare well in times of harsh persecution and does not fare well when there is total freedom, but partial repression provides the most fertile ground for culture. We experienced a cultural boom over many decades, because, over most of that time, we were in a state of moderate persecution. That was not only true of the communist period, but also of the days of the Austro-Hungarian empire. Culture simultaneously assumed several roles that should normally be performed by politics or other areas. Thanks to that, it acquired even greater importance. Today, in a situation in which there is freedom, it is in a state of shock and does not know where to start. However, once again, I view that as a challenge. I think that culture and artists must find a new role, a new place for themselves in these new times. I do not accept the excuse that there are no more subjects for the arts. As long as man exists, there are subjects, because man is the source of an endless number of subjects. What is more, these times are yielding many great subjects: human and social subjects. It is only up to artists to get over the shock and try to tackle these subjects creatively. On the other hand, I am aware that some distance is needed for that. *War and Peace* was written 50 years after Napoleon. So, perhaps we are still in the process of awakening, and we need to wait a little for some fuller reflection.

[Michnik] Have you ever give any thought to the result of the parliamentary elections in Lithuania, which were won by the communists? The elections in Slovakia might produce a similar result. Meciar's party is in danger of falling apart, whereas the communists are strong and might win. Do you fear recommunization? Do you think that communism might return?

[Havel] I do not think that the totalitarian system could return, because history does not go backward. The totalitarian communist system has collapsed once and for all. One can imagine some other, new type of authoritarian regime. One can imagine an authoritarian postcommunist regime not only in Slovakia. That in fact already exists in many former communist countries, stretching from Asia to the Balkans. However, I cannot imagine a global return to communism.

Even if Peter Weiss' Party of the Democratic Left were to win in Slovakia one of these days, it would not represent a revival of the totalitarian communist system that we know from experience. It would simply be a social democratic government.

[Michnik] In politics, what does winning or losing mean?

[Havel] Losing does not always mean defeat. I certainly differ from other politicians in believing in that. As dissidents, we lost all day, from morning until evening, but in the end we won. During my time as president, I suffered many setbacks, but it seems to me that the truth matters more than successes.

[Havel] Politics is the art of compromise. What are the limits to compromise for you?

[Havel] A politician really has to make compromises, especially in a democracy, because in a dictatorship he does not have to. However, it is difficult to define the limits to compromise simply, because it is a question of having a feel for a given situation. Every decision is made in a different context, in a different atmosphere, and with a different layout of forces. What may be a compromise that merits condemnation in one situation might be a sensible compromise in another. It is very difficult to assess that from the outside. I may, for example, be convinced that some decision is a sensible compromise, but other people from my camp might think that I have gone too far. Who is right? The fact that there are more of them does not always mean that right is on their side. Being right is not something that you can have a vote on. They might be right or I might be right. Probably only God can judge that.

However, if I were to define some limit, then I would say that it is the dividing line between form and content. I

get the impression that although I am president, I can actually say whatever I think. I am, however, bound by the form in which what I think has to be expressed. I cannot express things the way I would if I were the editor in chief of GAZETA WYBORCZA. I have to speak in a different language, a different style. I admit that this often causes me problems, but at the same time I know that is the way things have to be.

[Michnik] But what kind of compromise would you never agree to?

[Havel] If parliament were to adopt a law containing some racist elements, then I would send it back for a second vote, but if parliament were to approve it nevertheless, then I would undoubtedly consider resigning. That is, however, a purely theoretical danger and there is no actual threat of that happening to us. I do not consider theoretical compromises, but only concrete examples....

[Michnik] There are no concrete examples until they appear. Your intuitive reply that racism would be an example is very important. We are living in such times that we will have to respond to this challenge in view of what is happening in Bosnia, Germany, and the Soviet Union. All those things are already close at hand for us.

Minister Says Judicial System No Longer Facing Collapse

AU2207121293 Prague CTK in English 1305 GMT 20 Jul 93

[Text] Prague July 20 (CTK)—A collapse of the Czech judicial system, which threatened one year ago, need not be feared any longer, Czech Justice Minister Jiri Novak told a press conference today.

The situation in the area continues to improve and confirms the minister's optimistic forecast that in two years the judiciary would really be a perfectly functioning element of the state, Novak stressed.

As many as 303 new judges entered the judiciary in the past year, while only 38 of them left it.

Out of 53,000 claims for compensation (by those who suffered under the communist regime in 1948-89—Ed.), 40,000 were already settled, the ministry's spokeswoman, Iva Chaloupkova, told CTK.

Novak also considers the legislative activities of his ministry to be good. The government has already approved its bill on detention, an amendment to the penal code has been completed and a wholly new penal code is being prepared. The ministry is also intensively working upon the legislation concerning the organisation and operation of the Supreme Administration Court, whose existence is laid down in the Constitution.

Referring to a bill on state representation, now under preparation, Justice Deputy Minister Cyril Svoboda said that the state representations would operate within all courts, in accordance with the suggestions of experts.

Nuclear Plants Not Insured Against Damage

AU2207135993 Prague CTK in English 1851 GMT 20 Jul 93

[Text] Prague July 20 (CTK)—The Czech nuclear power plants are not insured against damage arising from their operation, Miroslav Tvrznik from the Industry and Trade Ministry told CTK today.

One nuclear power plant has been operating at Dukovany, South Moravia, and another one is being constructed at Temelin, South Bohemia.

The atomic law on the peaceful uses of nuclear energy, which should enshrine the operator's duty to be insured against damage caused or to be otherwise financially responsible for it, would not be passed before 1994, Tvrznik said.

The Czech Republic is obliged to pass the law under the international Vienna convention on responsibility for nuclear damage to which the country is to accede in the near future.

Frantisek Suransky from the Industry and Trade Ministry said that Czech insurance companies were not yet too strong and they were incapable to guarantee big sums.

That is why the plants would be insured for lower amounts at the beginning, while effort would be displayed to join the international insurance [sentence incomplete as received]

Meciar on Coalition, Coup Attempt on HZDS

LD2207190893 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1000 GMT 22 Jul 93

[Interview with Prime Minister Vladimir Meciar by correspondent Lubomir Linter on 22 July—recorded]

[Excerpts] [Announcer] The next round of coalition talks between representatives of the Movement for a Democratic Slovakia [HZDS] and the Slovak National Party [SNP] lasted less than an hour yesterday. [passage omitted]

When the regular interview for Slovak Radio was being recorded, Vladimir Meciar told Lubomir Lintner about the suspension of the coalition talks yesterday.

[Meciar] The point is that we wanted to cooperate with the SNP and that we still want to. We wish to stabilize the Slovak political scene so as to prevent doubts being cast on it all the time. It depends on what approach the SNP will adopt on issues of fundamental importance. In the process of the quest for the structure of future state bodies, we are unable to delve into principles that would in effect constitute changing the election results to the effect that the HZDS would lose the chance to contribute to and implement policies in all spheres of state. That will in effect be an election defeat. Naturally, I do not wish to comment on the content of these talks, because I am still bound by the promise not to go public on the basic issues, and on the issues on which our views differed.

There were some moves that generated a straightforward indignation on the part of the HZDS. No one should pledge, even before the talks, that he will swallow us. No one is empowered to dismiss the movement's chairman even before the talks are over. That is up to the movement. At the same time, no one should tell us that he will dictate conditions to us and that we should abide by these conditions. We are looking for a partner not for a lord and master. That is where the difference lies.

[Lintner] Are you not afraid that the following aspect might be voiced by commentators, or possibly even in speeches by representatives of other political subjects: The election of representatives of the Supreme Inspection Office and officials of the National Bank of Slovakia has established a certain hierarchy in the Slovak power structure. Commentators could say: The HZDS has used the SNP so that it could get their people into these posts and now the HZDS has left the SNP to their own devices...

[Meciar] I have heard so many lay comments and there is no reason why I should fear them. We have not made our standpoints public and so, no one in fact knows what they are. The reasons for our standpoints are not known; all of these are conjectures.

Regarding future cooperation, I do not think that it is all over. The present development conceals in itself a large number of various options. They might not be absolutely obvious today, but they do exist. We shall be assessing this situation on Saturday [24 July] at a meeting of the HZDS leadership.

But other parties will have to assess the situation, too. They will have to assess their own conduct. In this context I would like to emphasize that as some speculations on Meciar's deeds and other deeds are being floated around, during the coalition talks the SNP representatives told us that on Tuesday [13 July] last week the National Council Chairman Mr. Gasparovic should have been dismissed during the National Council session, that there should have been a switch to a system in which opposition parties will have been in a majority. Officials from the HZDS should have been removed from their posts and turned into the opposition.

The fact that the status quo has been maintained and the fact that this putsch did not materialize is a result of HZDS policies.

When I asked other officials, including those from the Party of the Democratic Left whether these developments really took place, I can now say that they confirmed they did, indeed, take place, although their conclusions were interpreted in different ways.

They prepared two options on how they would will deal with the HZDS. Option A was that they would give me conditions under which I could remain in the government. Option B was that they would lure someone from the HZDS to take the job of prime minister, that would make it look as if the issue in question were a wide coalition. [passage omitted]

Further, the democratic and nondemocratic character depends on the system, on the selection of persons and not on party allegiance. [passage omitted]

The Slovak political scene and politicians talk about the dominance of the HZDS and Meciar. Basically, they will accept somebody smaller, they will accept somebody who will fit in with the average and then they will be satisfied. But because it is not so they are thinking of ways to do away with it. These are poor quality deliberations. Democracy means not only recognition of the moment of the election, but also respecting the result of this election. The attempts in parliament in a nondemocratic way to change these conditions is not an expression of democracy. It is an expression of voluntarism and crudeness, and goes against democracy. So that the notion of democracy will for a long time be explained individually. This always has to be considered on the theoretical and practical levels of responsibility. We should not make such bad mistakes in the name of democracy as used to be made at one time in the name of socialism.

So these simply are questions that society is asking and that have to be taken into consideration, namely that everything that is apparent, the gestures and appearances on radio and television, do not correspond to the realistic performance of politics. That is somewhat different.

If the commentators say that you are trying to intimidate me by scaring me, it is because they do not see the heart of the matter; they remain on the surface of subjective assessment. Many of these things, let us say, are known to them, and they say that it is not so. [passage omitted]

[Lintner] Prime minister, you have just uttered very serious words and I am now waiting for a reaction. The protracted talks with the SNP when their personnel changes were under discussion—how has this situation been reflected in the government?

[Meciar] First of all I must admit that there is uncertainty in the government and efficiency has fallen somewhat. The people are disgusted because they work hard and in the end [words indistinct] some of then should leave without good reason, some of whom are good as proposed candidates.

The second question on personnel discussion is that there must be agreement about the program. We are quite close to that. There must be agreement on the method and that is not very close because, for example, the basic question is how to stabilize parliament so that for three years we can guarantee that deputies clubs will last. That is why there must be agreement on the system of cooperation, such cooperation requires that no one loses face and identity. [passage omitted]

The third sphere is that the government, after the coalition, should not turn for the worse. These are the minimum requirements that are being submitted on our part and on which the coalition must be built. It does not matter who is on the other side. But it is completely inadmissible that a partner organization is challenged at the time of coalition talks, that its representatives be offended, that talks are conducted secretly with officials of the other side, about who should be prime minister or chairman of a movement. [passage omitted]

Weiss: News Appointments Defeat for Democracy

AU2207122393 Prague CTK in English 1513 GMT 20 Jul 93

[Text] Bratislava July 20 (CTK)—Support by Slovak National Party (SNS) representatives for the ruling Movement For a Democratic Slovakia's (HZDS) candidates for chairman of the Supreme Inspection Office and governor of the Slovak National Bank (NBS) during yesterday's parliamentary vote was a defeat of democracy, not the opposition, says opposition Democratic Left Party (SDL) Chairman Peter Weiss.

Weiss told the press today that the HZDS did not display generosity by not giving the NKU post to the opposition, something that would have been a very favourable precedent for the future—that would have meant the opposition would be carrying a large part of the responsibility for the state's functioning.

He stated that the SNS conveniently forgot all their previous pronouncements on the necessity of placing experts in important posts, and thus prevented the formation of an effective inspection system and balance of power, giving precedence to its own power interests.

The whole affair is, in Weiss's words an act, behind which a fight over privatisation and the state's whole economic policy is taking place.

If a coalition agreement is signed between the HZDS and SNS, the question of early elections will become very topical, said the SDL's Deputy Chair Pavel Kanis, because the government will continue to hold only a minority of seats.

The HZDS and the SNS have been engaged since June in talks on the formation of a coalition government.

On the Czech-Slovak border matter, Kanis said that Germany's new asylum law should force Slovakia to be more flexible and to reach the necessary agreement with other neighbours.

Meciar on Czech-Slovak Visa Issue

LD2107222193 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1930 GMT 21 Jul 93

[Text] Slovak Prime Minister Vladimir Meciar said that the additional clause stipulating that visa requirements will continue to be waived for Czech and Slovak citizens on the joint border, approved by the Czech Government in Prague today, is identical in content to what he discussed with his Czech counterpart Vaclav Klaus at the Budapest Central European Initiative summit.

In an interview for TA SR, however, Vladimir Meciar specified that during the Budapest discussion it was decided to draft a special agreement on generally simplifying the procedure on the border for the two countries' citizens. Meciar said the Slovak Government is ready to discuss this and other agreements as soon as it receives official drafts from the Czech side.

Moravcik Reacts to Jeszensky Statements

AU2207095193 Bratislava NARODNA OBRODA in Slovak 20 Jul 93 p 2

[TA SR report: "Moravcik: Talks on Borders Cannot Be Called Hypothetical"]

[Text] Bratislava—"Mr. Geza Jeszensky probably wanted to draw attention to the fact that excessive optimism regarding an early signing of the so-called great international treaty between the Slovak Republic and Hungary is premature."

This is what Jozef Moravcik, Slovak Republic foreign minister, said when reacting yesterday to the declaration of his Hungarian counterpart, who, after the Central European Initiative [CEI] meeting in Budapest described Slovak Prime Minister Vladimir Meciar's words on the possibility of signing a Slovak-Hungarian treaty with a clause on the unchangeability of the common borders as

"one-sided interpretation." He corrected his words, saying that the treaty was discussed, but "the ministers discussed a possible and repeated guarantee of the unchangeability of the borders only hypothetically."

According to J. Moravcik, the discussion with the Hungarian partner cannot be called hypothetical. He said that the Slovak side presented unequivocally its will to arrange its relations with the Hungarian Republic in such a way as to guarantee by a treaty the state borders that would reflect the status quo. He also said that Jeszensky had assured him that in Hungary there are no significant political forces that would have territorial changes, or changes to state borders, in their program.

Moravcik confirmed what Jeszensky said. Within the upcoming week, mixed expert commissions will begin working and will pass judgment on all the existing controversial issues, and prepare documents aimed at settling mutual relations and signing an international treaty between the Slovak Republic and the Hungarian Republic.

According to Moravcik, in the CEI, they did not speak about the reciprocity principle to be applied in the solution of ethnic issues. In this sense, he described information in the press, according to which Hungarian Prime Minister Jozsef Antall came up with the idea of reciprocity, as false. He also rejected reports from lobbies during the CEI meeting, according to which the Slovak prime minister had not officially confirmed his participation in the summit and arrived unexpectedly, in fact. "We respected the regular diplomatic procedure, and confirmed, through the Slovak Embassy in the Hungarian Republic, that the Slovak delegation would come in a composition that would correspond to the level of the meeting," Moravcik explained.

Biography of New National Bank Governor Reported

AU2307071993 Bratislava REPUBLIKA in Slovak 21 Jul 93 p 4

[TA SR report: "The Biography of V. Masar"]

[Text] Vladimir Masar was born on 2 May 1958 in Partizanske in the Topolcany District. He graduated from the Bratislava Economics College in 1981; he studied in the finance department. After college he joined the Bratislava office of the Czechoslovak State Bank as a credit officer, an inspector, a manager, and then a specialist in foreign economic relations. He worked in the Bratislava City branch of the General Credit Bank as deputy director from 1990-91. In September 1992 he became Slovak first deputy finance minister and, subsequently, state secretary at the Finance Ministry. He has completed several courses in banking at home and a short-term study program abroad, in Vienna. He led the Slovak part of the CSFR delegation when it was admitted into GATT. He managed the Slovak National Bank Advisory Committee. Deputies elected him Slovak National Bank governor at the 21st session of the National Council of the Slovak Republic on 19 July 1993.

Government Approves Church Property Restitution

AU2207133693 Prague CTK in English 2022 GMT 20 Jul 93

[Text] Prague July 20 (CTK)—The Slovak Government voiced its consent to the parliament's draft law on the restitution of property to churches and religious societies, Minister of Culture Dusan Slobodnik told a press conference today.

Slobodnik said that the aim of the law was to provide for total economic independence of the churches, which should be attained within five to six years. By then, the state assumes responsibility for their economic matters, he added. The restitution includes buildings, movable property and land, said Slobodnik.

Interior Minister Jozef Tuchyna reported that he and Minister of Justice Katarina Tothova had been charged with establishing a commission to investigate the observance of legality in the eastern Slovak town of Spisske Podhradie, whose City Council had decided on July 1 to restrict the movement of Romany inhabitants at night hours.

The Slovak parliament abolished the Spisske Podhradie decree on July 15.

The security situation in Spisske Podhradie was not worse than in the rest of Slovakia, said Tuchyna. The crime rate in Slovakia increased by 38 percent in the first six months of the year, while that of Spisske Podhradie declined by 50 percent, stated Tuchyna.

In addition to the preservation of stability and internal convertibility of the Slovak crown, the basic aim of the Slovak National Bank (NBS) was to ensure that inflation would not exceed 25 to 30 percent, Marian Tkac, the acting vice-governor of the SNB, said today.

The NBS was about to grant some 20 billion crowns (600 million USD) in credits in the second half of the year, announced Tkac.

The Slovak Government approved a proposal to send an infantry batallion of the Slovak Army to Croatia as part of the UN peace-keeping forces.

Vojvodina Slovaks' Situation 'Worsening'

AU2107182593 Bratislava REPUBLIKA in Slovak 20 Jul 93 p 2

[TA SR report: "A Shattered 'Showcase'"]

[Text] Bratislava—The situation of the Slovak minority in Vojvodina—which, until recently, could be regarded as a "unique show case" and one of the "pillars" of good

Serb-Slovak relations—is systematically worsening. Representatives from the League of Social Democrats of Vojvodina informed the Slovak Social Democratic Party [SDSS] of this during their visit to Slovakia last week.

SDSS Deputy Chairman Lubor Bystricky said that the League, as part of the social democratic movement in Serbia, is one of the most outspoken opponents of Slobodan Milosevic's regime. The persecution campaign waged by the police regime in Vojvodina is not only limited to the representatives of active political groupings, but also intimidates the general population, including the Slovak minority. The Slovak minority is being expelled from its villages, which are subsequently settled by refugees from Bosnia. Refugees from areas affected by the conflict are being moved to towns with a mainly Slovak population, Slovak schools are being closed, and the opportunities for leading a cultural and social life are limited. Moreover, the areas in which the Slovak minority lives are the targets of a regular and concentrated campaign for new recruits, who, within the framework of military exercises, are then sent to the areas of conflict.

One result of the Vojvodina Slovaks' helplessness will be—according to the representatives from the League of Social Democrats—increased immigration to Slovakia and growing interest by the young to study at Slovak universities in order to avoid military service or persecution. According to the League, some 8,000 refugees are currently in Slovakia.

Poll Shows 47 Percent Believe Abortion Woman's Decision

AU2207121693 Prague CTK in English 1000 GMT 20 Jul 93

[Text] Bratislava June 20 (CTK)—A decision over the artificial termination of pregnancy should be entirely a woman's responsibility, according to 47 percent of Slovaks.

CTK received these results today from the Slovak Statistics Office, which conducted the poll of 1,257 citizens over 18 years of age.

In April 1992, 16 percent more people shared the above view.

The opinion that abortion should be permitted not only for reasons of health, but also for socio-economic reasons, is held by 23 percent of the respondents, according to this recent survey.

Religious belief proved to be a factor: 72 percent of non-believers would leave the decision on abortion to the woman, whereas only 33 percent of believers favour this.

A ban on abortion under any circumstances is supported by 15 percent of believers, and only two percent of non-believers.

Antall Chairs Meeting; Health Checks Continue

LD2207181293 Budapest MTI in English 1742 GMT 22 Jul 93

[Text] Budapest, July 22 (MTI)—False reports in the press over recent days misconstrue Hungarian Prime Minister Jozsef Antall's medical treatment, spokeswoman Judit Juhasz said on Thursday, in a break in the regular government session.

As at all other times, the prime minister is attending the customary weekly government meeting today.

Juhasz recalled a prime minister's press office communique on July 20, stating the prime minister would have a scheduled medical examination and treatment on Monday, Tuesday, and Wednesday.

There were no protocol meetings scheduled for those days, but the prime minister continually saw to official tasks. Prime Minister Antall chaired the goverment session today, Juhasz said, and received the outgoing French ambassador, Pierre Brochand, during a break in the session.

Juhasz added that normal procedures have the minister of the interior fill in for the prime minister, unless otherwise decreed. The subsequent replacement order is: Minister of defence, foreign minister, minister of finance, and minister of justice. Fill-ins for protocol meetings are decided on each occasion.

Official Says Klaus Misinterpreted Antall Letter

LD2107181393 Prague CTK in English 1733 GMT 21 Jul 93

[Text] Budapest, July 21 (CTK)—Czech Premier Vaclav Klaus did not disclose in full the letter he had received from his Hungarian counterpart Joszef Antall, and suggested such an interpretation of it, which did not correspond to its original spirit and intention, Janos Herman, spokesman of the Hungarian Foreign Ministry, told a press conference today.

On the eve of the July 16-17 Budapest summit of the Central European Initiative (CEI), Klaus told the Czech Television that he had received a letter from Antall, the major part of which concerned Hungarian views on certain doubts about the treatment of ethnic Hungarians in Slovakia. This is not the theme for which I am leaving for Budapest, Klaus said, and added: I think that it is impossible for this institution (the CEI) to be abused for such pressure of several countries against a single one.

Hungary has initiated a new action against Slovakia, according to another Klaus' statement.

In this connection, Herman said that in his letter, Antall only met Klaus' demand to express his stand on Slovakia's membership in the Council of Europe (CE).

Representatives of the Hungarian Government press office said that on June 23, Klaus tried to reach Antall by phone to discuss with him the Czech and Slovak Republics' membership in the CE.

The phone call did not take place, since Antall was then on an official visit to Germany. After his return from Bonn and after the vote on Czechs' and Slovaks' admission to the CE (on June 30), Antall wrote a letter to Klaus, in which he expressed the Hungarian stand (on Slovakia's membership in the CE, as requested by Klaus on July 15).

Klaus is likely to have misunderstood Antall's letter, Herman stressed. The letter did not mention any new anti-Slovak action to be launched by Hungary, but it said what steps Hungary expects from the new CE members regarding the CE recommendations, Herman said.

Before the admission of the Czech and Slovak Republics, the CE gave some recommendations to Slovakia regarding its treatment of ethnic minorities living on its territory.

Herman noted that the Hungaro-Slovak talks (within the CEI summit) resulted in a planned session of a committee of experts on the ethnic minority problem. Specialists from the two countries' Foreign Ministries will meet soon as well, in order to evaluate comprehensively the situation in the Hungaro-Slovak relations, and define what else must be done before the talks on the basic bilateral agreement can be launched.

About 600,000 ethnic Hungarians live in Slovakia.

Slovak Border Crossing To Reopen

LD2107174593 Budapest Kossuth Radio Network in Hungarian 1600 GMT 21 Jul 93

[Excerpts] An encouraging promise was given at the National Command of the Customs and Excise Guard regarding opening the Hungarian-Slovak border crossing between Pacin and Velky Kamenec. Thus, the two mayors, who have been on hunger strike in the interest of the crossing, have today taken some food. Peter Juhasz reports from Miskolc:

[Juhasz] The mayors of Bodrogkoez region have suspended their hunger strike after 12 days. [passage omitted]

Mihaly Arnold, national commander of the Customs and Excise Guard, said in Pacin that on 26 July, that is next Tuesday, they will hold further discussions with the Slovak organs, and they will do everything to ensure that the Slovak border crossing will be opened as soon as possible. [passage omitted]

Conflict With Russia Over Military Withdrawal

LD2207144793 Warsaw Radio Warszawa Network in Polish 1400 GMT 22 Jul 93

[Text] The Russians want their military mission supervising the transit of their forces from Germany to Russia to be set up and working in Poland as of 1 August. The Polish side sees no need to create such a mission but, according to Colonel Slawomir Gozdzik from the Office of the Polish Republic's Plenipotentiary for the Stationing of the Russian Federation Armed Forces in Poland, it agrees to its creation in accordance with the concluded agreements.

On 22 May a treaty was signed between the Polish Republic and the Russian Federation concerning the withdrawal of the Federation's Armed Forces from the Polish territory. No date was set in this treaty for the creation of the military mission. The Polish side proposed that the mission be established in the Russian Embassy; the Russians want it in their railway mission on Targowa Street in Warsaw. According to Colonel Gozdzik, the final decision in this matter will be taken by Prime Minister Hanna Suchocka.

Skubiszewski Suggests Sevastopol Remain in Ukraine

LD2207152993 Warsaw PAP in English 1458 GMT 22 Jul 93

[Text] Warsaw, July 22—"Inviolability of borders and the territorial integrity of a state is one of the principles of the international law. All unilateral decisions violating this principle pose a threat to the stability in Europe and have a negative influence on the process of the CSCE (Conference on Security and Cooperation in Europe)," Poland's Foreign Minister Krzysztof Skubiszewski wrote in letters sent Thursday [22 July] to his counterparts in the Russian Federation Andrey Kozyrev and in Ukraine Anatoliy Zlenko.

The Polish Foreign Ministry sent the letters following the decision of the Russian parliament, which on July 9 declared the port of Sevastopol, now in Ukraine, an integral part of Russia.

In the letters Skubiszewski also pointed to the fact that good relations between Russia and Ukraine are very important for the region and the entire European continent.

UD Presents Election Lists, Campaign Slogans

AU2307103793 Warsaw GAZETA WYBORCZA in Polish 19 Jul 93 p 1

['WZ'-signed report: "The Charm of Pairs"]

[Text] "The upcoming elections may give Poland a choice between a lost decade or a decade that will see national income doubled," said Prime Minister Hanna Suchocka yesterday [18 July] as she opened a meeting of the Democratic Union [UD] Council. The council met to approve the UD Sejm election lists. In Poznan, places one and two on the list will be occupied by Prime Minister Hanna Suchocka and party leader Tadeusz Mazowiecki. The same places on the Warsaw list will be occupied by Bronislaw Geremek and Labor Minister Jacek Kuron. The head of the Office of the Council of Ministers, Jan Maria Rokita, heads the list in Krakow and two places below him is Tadeusz Syryjczyk, the adviser to the prime minister. Wladyslaw Frasyniuk tops the list in Wroclaw with Barbara Labuda coming after him. Andrzej Celinski is once again starting out in Plock, but this time he is running for the Sejm, not the Senate. Finance Minister Jerzy Osiatynski is second on the Krosno list.

The UD has also accepted trade unionists and businessmen for its lists. Bogdan Borusewicz, the former head of the "Solidarity" Parliamentary Club heads the list for Gdansk and his trade union colleague Jan Rulewski is at the top of the list for Bydgoszcz. The president of the Business Center Club, Marek Goliszewski, occupies first place on the Chelm list.

What the members of the council did not like was that the UD's four greatest stars are starting out in just two districts, Poznan and Warsaw. There were attempts to have Mazowiecki transferred to Szczecin and Kuron to Silesia, but they ended in failure.

On Sunday, the UD displayed its election campaign slogans on banners for the first time: "Resolutely Forward," "A Secure Tomorrow," and "Poland Will Be Poorer Without You."

In its election campaign, the UD does not intend to rely solely on television to get through to the electorate. They have plans for dozens of meetings and want to dispel the image they have of being elitist and conceited.

The UD has divided its campaign into two stages. The first will serve to present the UD program, which contains about 30 draft laws that the party intends to force through in the new Sejm. The second stage will begin at the end of August and during it the UD will seek to publicize itself. "We want to show that we are a party of stars that can perform as a team," says UD spokesman Andrzej Potocki.

Vacaroiu Receives European Parliament Delegation

AU2107173193 Bucharest ROMPRES in English 1605 GMT 21 Jul 93

[Text] Bucharest ROMPRES, 21/7/1993—Romanian Prime Minister Nicolae Vacaroiu met with Alexander Langer, the head of the European Parliament delegation for Albania, Bulgaria and Romania. The Romanian premier presented a set of issues related to the transition toward the market economy, priorities of the government's economic policy, that is agriculture, restructuring and privatization of small and medium businesses, foreign investments, the legal framework, Romania's difficult access to foreign financing sources. Prime Minister Vacaroiu underlined Romania's wish that the agreement of association with the European Communities be ratified as soon as possible.

Alexander Langer expressed the political will of the European Parliament that Romania associate to the EEC. The guests appreciated Romania's determination to build a market economy but stressed that the thing must be more clearly proved in practice, in the everyday life.

Vacaroiu Discusses Harvesting, Irrigation Issues

AU2207121593 Bucharest ROMPRES in English 1131 GMT 22 Jul 93

[Text] Bucharest, ROMPRES 22/7/1993—Premier Nicolae Vacaroiu called Thursday on prefectures and authorized bodies in the territory to organize work by shifts so as the harvest of summer crops to be completed by August 1. Until now 48 percent of grain crops were harvested.

Once with the harvest, special attention should be directed to a rapid transport and storage of the crop to be kept into silos, said the premier.

Another issue of great importance in agriculture is that of irrigations on lands in need. We have first-rate maize, fodder, vegetables and greens, but drought is rapidly extending. "We will have to save maize crops from drought effects," said Prime Minister Vacaroiu, showing that the 1993 crop would count a lot for Romania's economic revival.

The prime minister also drew attention of prefects that the distribution of titles of property was still done at a slower pace, that abuses and irregularities also at level of communal commissions of land allotment were inadmissibly slow found a solution.

Vacaroiu Meets With World Bank Members

AU2307052993 Bucharest ROMPRES in English 1817 GMT 22 Jul 93

[Text] Bucharest, ROMPRES, 22/7/1993—Thursday, 22 July, a new round of talks took place at the Victoria Palace, the seat of the Romanian Government, between Premier Nicolae Vacaroiu, Finance Minister Florin Georgescu on the one hand and the World Bank Delegation, on the other, a government press release says.

The delegation is to submit its memorandum to the IBRD [International Bank for Reconstruction and Development] management which is to decide about the second tranche of the SAL credit. The memorandum will make a detailed description of the present cabinet's performances in relation to the conditions agreed upon and approved by the government and parliament prior to Mr. Vacaroiu's cabinet.

Negotiations continue and the conclusions are yet to be published.

Government sources inform that the IBRD delegation members present Thursday at the talks with the premier have expressed their amazement at how much the government has accomplished of the criteria it was supposed to comply with and that the first imperative in the Romanian economy was a more severe financial discipline and an adequate legislation.

As to the negotiations with the IMF, the press release informs that the Romanian premier, the governor of the National Bank (BNR) and two state ministers met Wednesday, 21 July, with an IMF delegation for a new round of negotiations, which are to be continued at the BNR headquarters for an analysis of the monetary policy, and further on, at the Ministry of Finance, for the examination of fiscal and budget deficit aspects.

Minister Spiroiu Discusses Army Reform

AU2207120893 Bucharest Radio Romania Network in Romanian 1000 GMT 22 Jul 93

[Text] The implementation of the reform process in the Army, the Romanian Army's foreign relations, the fighter certificates granted to some officers of the Ministry of National Defense, and the situation of the staff of the Romanian camp hospital in Somalia were the main subjects discussed today at the news conference organized by the Ministry of National Defense in the Byzantine Hall of Bucharest's National Military Club.

In connection with the reform of the Army, Lieutenant General Niculae Spiroiu, minister of national defense, assured the correspondents present that the package of laws necessary for this reform are being discussed by the relevant parliamentary commissions and will be applied by the end of the current year.

The minister of national defense also said that the Romanian Army is developing relations of cooperation with the armies of other countries by pursuing a defense policy based on balanced relations.

As far as the relations of the Romanian Army with NATO are concerned, Lieutenant General Niculae Spiroiu said that the Romanian Army is undertaking actions to be prepared for cooperation with NATO the

moment this international political-military organization is ready to cooperate with nonaffiliated states as well.

In connection with the certificates of revolution fighters offered to some officers of the Romanian Army, the minister of national defense reaffirmed his point of view according to which—from a legal viewpoint—the status of revolutionary is incompatible with that of the military status.

The minister of national defense also emphasized that the situation of the staff of the camp hospital in Somalia is good and that a constant communication system exists between the Ministry of National Defense and the camp hospital in Somalia.

Regarding certain affirmations allegedly made by General Gheorghe Florica, former chief of the Financial Oversight Body, in an interview for Radio Free Europe, they were viewed as having political implications, something that is incompatible with the status of officer of the Ministry of National Defense and will, thus, lead to shortly placing General Florica into reserve.

Israeli Trade Minister Harish Visits Timisoara

AU2207122293 Bucharest ROMPRES in English 1058 GMT 22 Jul 93

[Excerpts] Bucharest, ROMPRES 22/7/1993—Starting Thursday, Mikha Harish, Israeli minister of commerce, on an official visit to Romania, is the guest of the Timis County. [passage omitted]

As for the official part of the visit, Mikha Harish said: "My schedule is correlated with local authorities and experts of the Chamber of Commerce and Industries, with businessmen, trade and financial experts, for identifying specific fields of mutually profitable cooperation. My visit must give an impetus to contracts due to be given the final touches and materialised by those interested. It is a well-known fact that transition to a market economy is tough, and we have headed on a road from which we can draw interesting and useful solutions for you, especially in agricultural development and in curbing inflation."

PD(FSN) Emergency Anti-Crisis Program

AU2107210393 Bucharest AZI in Romanian 15 Jul 93 p 4

["The Economic Disaster and the General Pauperization of the Population Can Still Be Halted! An Emergency Anti-Crisis Economic Program in Seven Points Proposed by the Democratic Party (National Salvation Front)"—place and date not given]

[Text] 1. To stop the inadmissible increase in prices, through measures aimed among other things at: generally cutting taxes and customs fees; eliminating monopolist practices in fixing prices; and covering the losses of chronically unprofitable units from the state budget in a differentiated way, by lending support to the economic units with a healthy infrastructure.

2. To give priority to the protection of people with small incomes, a target that can be achieved by: raising the minimal pension to at least 60 percent of the minimal salary in the economy; ensuring the differentiated indexation of pensions and other incomes from the social security fund in favor of those with lower incomes; and expanding facilities in the spheres of health care, housing, public transportation, and the supply of basic commodities.

3. To stabilize the course of the leu by: liberalizing the currency market; implementing a strict policy of strengthening currency reserves; and complying with the usual requirements of international financing bodies for the granting of credits.

4. To improve the credit granting activity as the outcome of measures designed to ensure, among other things: banning access to credits of businesses registering losses or enterprises whose production simply adds to extant unsalable stocks; drastically reducing state subsidies for interest paid on unprofitable activities; and proceeding to a true liberalization of interest rates.

5. To reduce the budgetary deficit through such actions as: drastically reducing administrative expenses at all governmental levels; ensuring the population's direct participation in supervising administrative expenditures; utilizing at least 60 percent of budgetary funds currently allocated to subsidies for economic and financial restructuring.

6. To suppress disloyal competition by measures aimed, among other things, at: combating monopolist practices; protecting the consumers; urgently setting up the "people's ombudsman" institution, as stipulated by the Constitution; and setting up tribunals to combat illicit competition.

7. To accelerate privatization and restructuring by a complex set of measures aimed at, among other things: strictly observing existing laws; urgently adopting the privatization plan for 1993 worked out by the State Property Fund; simplifying the privatization procedure; and immediately launching various strategic investment programs.

In conclusion, the appeal points out that the Anti-Crisis Program of the Democratic Party (National Salvation Front) [PD(FSN)] is fully compatible and in accordance with the proposals of the Democratic Convention of Romania [CDR].

It calls on the citizens to take steps to speedily take the country out of the crisis by demanding the resignation of the current government and the urgent creation—on the basis of a coalition of the entire opposition groupings and their programs—of a new and truly reforming and democratic government.

PAC's Manolescu Criticizes Iliescu Letter

AU2207190593 Bucharest ADEVARUL in Romanian 16 Jul 93 p 2

[Loreta Budin article: "Mr. Manolescu Believes That People Withdrew From the Party From Boredom"]

[Text] "The ruling party has done everything possible to halt the organization of an extraordinary parliamentary session and to postpone finding solutions to cases of corruption"—said Mr. Nicolae Manolescu [President of the Civic Alliance Party], yesterday, 15 July, at the headquarters of the Civic Alliance Party [PAC] and showed surprise at the sudden change in prime minister Vacaroiu's tone when talking about privatization issues as well as at President Iliescu's letter to the prosecutor general. "I have the impression that Iliescu takes the bull only by one horn and uses only two fingers" continued Mr. Manolescu, reproaching the president for picking on "three small parties of which hardly anyone has ever heard, on an insignificant magazine, and *Mein Kampf*"—"a historical book, because it brought about terrible things and ought to be read"—without even mentioning the publications ROMANIA MARE or EUROPA. The attitude of the Romanian president and of the prime minister are diversions aimed at diverting attention from serious corruption problems.

Further, the PAC president expressed his regret that a budget law has still not been endorsed, saying that this allows the government to favor certain mayoralties. Then the PAC president made a short statistical report on resignations from the party in various counties. Not all of those who have left the party have joined the Liberal Party 1993 (such as the case of Constanta County branch, where out of the 40 people who resigned only a few joined the rival camp—"maybe they had their reasons or maybe they were bored," said Mr. Manolescu in conclusion.

CDR Leader Constantinescu Views Strategy

AU2207190693 Bucharest ROMANIA LIBERA in Romanian 17 Jul 93 p 11

[Interview with Emil Constantinescu, president of the Democratic Convention of Romania, by Cristiana Terenche; place and date not given: "Indifference—a Mortal Danger"]

[Excerpts] [Terenche] Professor Emil Constantinescu, recently you returned from Greece, where, invited by the EEC, you participated in a conference entitled "The European and Balkan Conference." Brief press communiques of the Democratic Convention of Romania [CDR] reveal that you have had a busy program of late, particularly abroad...

[Constantinescu] My visits abroad as a CDR representative are part and parcel of a strategic program that pursues the presentation of the views of Romania's opposition on domestic issues and international events, especially on developments in Central and Eastern Europe. [passage omitted]

[Terenche] Proceeding to the Convention's domestic policy, what strategy has the CDR in mind during the parliamentary recess?

[Constantinescu] Even before Parliament's recess, the CDR made a dynamic move when it presented an alternative to the government, including tangible steps agreed upon with the PD(FSN) [Democratic Party-National Salvation Front]. This understanding was concluded after the CDR's Strategy Department worked out, over a period of six months, clear economic and social options and updated the government's program. The results of this uniform option could be noted in the opposition's coherence within Parliament. Thus, through its unity, it induced those in power to make efforts—sometimes desperate and even ridiculous—to halt the process of clarifying certain problems (the Romanian Intelligence Service, corruption) by resorting to embarrassing maneuvers. At a time when vital decisions are needed for our country to stop the constant deterioration of the economic and social situation, the CDR presented a Declaration-Program to take the country out of the crisis. I think that what was important at this point was that the CDR addressed the Romanian nation so as to justify the trust of those who continue to side with the Convention, and to restore the hopes of those who are confused by the negative development of certain processes that they do not understand and that make them panic. This a clear affirmation of the fact that the CDR is able, at this time, to offer a viable alternative to taking the country out of the crisis, which can be proved in the short term, a message to restore hope and confidence. What is important at this time is the unity of the CDR as an important force within Parliament and at the level of local administration. This is a particularly important element, which, in my view, has escaped a press much more concerned with the spectacular games behind the scenes and with the regrouping of political formations, which, certainly, reflect a moment in the development of our political activity. [passage omitted]

The CDR will be very active to fulfill the tasks that it has assumed and has not yet honored so as to achieve closer relations with important segments of the civilian society: Trade unions, young people, women, and pensioners. [passage omitted]

[Terenche] In connection with the Convention-PD(FSN) alliance, in your view, how will it develop in time? Do you think that Petre Roman will be satisfied to be just president of his political formation?

[Constantinescu] This problem was discussed within the CDR Council and, as the opinions of the representatives of the parties and formations of the Convention prove, the key problem is the program and no emphasis is placed on people. We are not pursuing an alliance, but an understanding on concerted action to implement this

program whose major aim is to change Romanian society. In this sense, as I have said on other occasions, political power is not an aim in itself, but a means to implement policy.

[Terenche] I was talking about the parliamentary recess, which is not much of a vacation. What are you doing during this time?

[Constantinescu] I have no plans for a holiday. [passage omitted]

The tedious work connected with drafting the Convention protocol has required days and weeks of work, to quote an example of what is being done and not noted immediately. You may have noted that over the weekends I visited various places throughout the country—Focsani, Brasov, Ploiesti, Timisoara, and others—I had a busy and well-defined program of meetings with trade union representatives or directly with workers and intellectuals, entrepreneurs, and, of course, with representatives of the Convention. All of them are keen on a change of vision and of action. In my view, in this inter-electoral period, the Convention has to implement tangible projects and, more than that, come up with concrete patterns to demonstrate that it is able to offer operational alternative structures. Certainly, it is much easier to formulate such tactics than to implement it. Particularly at the local level with its great ambitions, pride, mistrust, and frustrations or indifference. The crisis, however, is so serious and the suffering and desperation of millions of people so great that to stand apart in Romania today by leaving the leadership of society to incompetent and corrupt people means more than just indifference, it is a crime. And let us not forget that in Dante's "Inferno" the most excruciating pain was to be suffered by the indifferent.

PD-FSN Leader Discusses Cabinet Situation

AU2207190293 Bucharest ROMPRES in English 1528 GMT 22 Jul 93

[Text] Bucharest, ROMPRES, 22/7/1993—Petre Roman, president of the Democratic Party-National Salvation Front [PD-FSN], told the press at the weekly news conference of Thursday, 22 July, that the government had come to a dead end. In his view, the present cabinet has achieved nothing of what it promised but it will probably drag on until next winter when its fate will hang on whether or not it will manage to ensure a minimum of decency to the people's standard of living.

About the state of mind among the opposition, PD-FSN leader denied that the opposition is divided by differences of political opinions and said that the economic programme of the Democratic Convention of Romania (CDR) is a platform of measures and intentions of a political nature that would look well if complemented with the anti-crisis programme proposed by PD-FSN.

Agreement on $7.2 Million Swiss Loan Signed

AU2207190193 Bucharest ROMPRES in English 1531 GMT 22 Jul 93

[Text] Bucharest, ROMPRES, 22/7/1993—The loan agreement between Romania and Switzerland, worth $7.2 million, representing the Swiss share in the financial assistance granted by G-24 to support Romania's reform in 1992, was signed on Thursday July 22 in Bucharest by Romanian State Minister and Minister of Finance Florin Georgescu and Switzerland's ambassador to Bucharest Sven Meili.

Foreign Media Bulletin: Balkan Crisis 23 July

WA2307170093

The following is an overview of current FBIS reporting on events in the Balkans. It supplements other FBIS reporting and consists primarily of selected summaries of longer reports. For reference purposes, serial numbers of the longer reports are provided.

SUMMARY

Bosnian President Izetbegovic says minimum conditions for negotiations have not been met; talks postponed until 25 July ... Russian special envoy Churkin suggests Krajina could be a "state within a state" ... Talks between Croatia, Krajina Serbs end without agreement ... Croatian Defense Ministry denies UNPROFOR report that Croatian Army is participating in Bosnian fighting ... UN Secretary General Butrus-Ghali urges NATO air operations in Bosnia be delayed.

DIPLOMATIC

TALKS DELAYED DUE TO IZETBEGOVIC ABSENCE (Sarajevo Radio, AFP): Bosnian President Izetbegovic says he will not attend peace talks in Geneva because of continued Serbian attacks on Sarajevo. Conference on Yugoslavia cochairmen announce agreement of all sides to postpone talks until 25 July. (AU2207172993, AU2207200393)

CHURKIN: KRAJINA SERBS NEED MORE THAN AUTONOMY (TANJUG, Zagreb TV): Russian special envoy Churkin says Serbs in Croatia need "something more" than autonomy and that a "state within a state" could be set up for Krajina Serbs. Croatian deputy foreign minister protests to Russian Embassy in Zagreb over statement, calls it "totally unacceptable." Krajina "foreign minister" Jarcevic complains that by suggesting the Serbs form a confederation with Croatia Churkin is offering them "too little" since Krajina "has been an independent state for three years now." (LD2207194593, LD2207194193, LD2307131593)

CROATIA-KRAJINA TALKS END WITHOUT AGREEMENT (TANJUG, Vienna Radio): Croatian delegation head Degoricija says that peace talks between Croatia and Krajina Serbs have "failed" although UN spokesmen "want to make people believe" they have "only been adjourned." Krajina Serb delegation says talks have "not been broken off" but that the Serbian side will not sign a peace plan presented by international mediators. (AU2207172193, AU2207191193, LD2307131593)

UNPROFOR

CROATIAN ARMY DENIES INVOLVEMENT IN BOSNIA (Zagreb Radio): Croatian Defense Ministry denies allegations by UNPROFOR spokesman quoted by REUTER that the Croatian Army is "pouring" into Bosnia to participate in fighting with Muslims, says statement is part of a "media war against Croatia." (LD2207173293)

BUTRUS-GHALI URGES NATO DELAY AIR OPERATIONS (AFP): UN Secretary General Butrus-Ghali urges NATO to delay providing air cover for UNPROFOR in Bosnia until "SO air controllers" are put in place. (AU2307133993)

Izetbegovic Postpones Geneva Peace Talks

AU2207172993 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 22 Jul 93

[Text] Alija Izetbegovic, president of the Presidency of Bosnia-Herzegovina, this afternoon sent a letter to the cochairmen of the Geneva Conference, David Owen and Thorvald Stoltenberg, in which he said the following:

Unfortunately, the Bosnian delegation will not be able to come on Friday 23 July to the meeting that you mentioned in your later. Up to this moment there have been no signs of attacks subsiding. On the contrary, [words indistinct] the attacks have intensified. [words indistinct] hit by surface-to-surface missiles, (?which) is a new negative element. Casualties and damage are enormous. The Serbian offensive around Sarajevo is not abating. Even as I write this letter, the town is being intensively shelled.

The humanitarian situation (?also) remains unchanged, which means that it is still extremely bad. The convoy with food and medicines heading for Gorazde has again been stopped for the (?third) time and returned. Our government, believing that the negotiations are the only way to stop the war, is ready to come to Geneva when the minimum conditions are met. We propose that the beginning of the negotiations be postponed for two or three days. We hope that signs of goodwill will emerge in the meantime.

This was stated in the letter Mr. Alija Izetbegovic [words indistinct].

Ganic Confirms Postponement

AU2207164593 Paris AFP in English 1608 GMT 22 Jul 93

[Text] Sarajevo, July 22 (AFP)—Bosnia-Herzegovina's collective presidency will not attend peace talks in Geneva until Serb forces halt attacks on Sarajevo and two other fronts, Vice President Ejup Ganic said Thursday.

He demanded that the Serbs halt attacks on and around the eastern Moslem enclave of Gorazde, declared a "safe area" by the United Nations, and around the northeastern town of Brcko, which the Serbs hold.

The Geneva talks had been due to start Friday.

Ganic was speaking after the multi-ethnic presidency met in the midst of a fierce artillery battle in and around Sarajevo to consider its position on the talks, where the separatist Serbs and Croats who control 90 percent of the former Yugoslav republic are demanding that it be divided into a loose confederation of ethnic states.

"We are here to manage this crisis," Ganic said.

"Parents don't leave their children when there is a fire in the house."

The artillery battle between Serb forces and troops of the mainly Moslem Bosnian army raged from dawn Thursday to mid-afternoon, when the screaming shells and deafening explosions ceded to the occasional explosion and small-arms fire.

Three bodies were in the morgue—one a woman who had been fetching water near the Ukranian U.N. troops' quarters in the Marshal Tito Barracks in the western part of the city.

The main Kosevo Hospital said it had treated 15 people, including an 11-year-old boy wounded by shrapnel in the face.

A doctor described the number of casualties as surprisingly low in view of the intensity of the fighting.

Sarajevo Battle Leads to Postponement of Talks

AU2307100793 Paris AFP in English 0946 GMT 23 Jul 93

[Text] Sarajevo, July 23 (AFP)—Artillery duels continued in Sarajevo Friday [23 July] after massive bombardments that led to the postponement of peace talks in Geneva.

U.N. Protection Force (UNPROFOR) spokesman Barry Frewer blamed Thursday's fighting on "a concerted Serb attack on Sarajevo."

The talks in Geneva on dividing up this former Yugoslav republic among Serbs, Croats and Moslems were due to have resumed Friday, but were put off till Sunday after President Alija Izetbegovic refused to leave Sarajevo until Serb attacks subsided.

U.N. observers counted 3,777 shells fired into Sarajevo by the Bosnian Serb gunners on Thursday, Commander Frewer reported. Most of those were on the outskirts, but 680 shells were counted exploding downtown, he said. The observers, who are thinly scattered, estimate that they generally count about one-third of all shells fired.

Frewer did not have a count of return fire by troops of the mainly Moslem Bosnian Army, but their shells screamed overhead from dawn Thursday until the fighting subsided mid-afternoon.

He gave a provisional toll for Thursday of seven killed and 49 wounded.

On Friday, the U.N. observers counted about 30 shells up to 9:30 a.m. (0730 GMT), he said.

The firing continued late morning, but at a much lower level than on Thursday, where the shell-count was one of the highest since the separatist Serbs laid siege to the valley city in April last year.

Muslim Artillery Pounds Serb Areas

LD2207215693 Belgrade TANJUG Domestic Service in Serbo-Croatian 2057 GMT 22 Jul 93

[Text] Belgrade, 22 Jul (TANJUG)—The Muslim artillery shelling of the Serb-populated settlements of Grbavica and Azici [in Sarajevo] that has been going on throughout the day, continued in the early evening hours, while attacks by Muslim forces in the Vogosca sector of the Sarajevo front are abating, the SRNA news agency reports, citing the Information Service of the Srpska republic army's Sarajevo-Romanija corps.

Five 82-mm mortars were fired and anti-aircraft machine-gun fire opened this afternoon on Serb-held positions in Ilijas from the direction of Visoko [Muslim municipality north of Sarajevo].

Serb fighters have repelled all attacks by Muslim formations, and have suffered no casualties, SRNA reports.

Muslim Attacks Repelled

LD2207171393 Belgrade TANJUG in English 1640 GMT 22 Jul 93

[Text] Belgrade, July 22 (TANJUG)—Moslem forces on Thursday morning fiercely attacked all Serb positions on the Sarajevo front, using artillery and infantry, Bosnian Serb News Agency SRNA quoted Bosnian Serb military sources as saying.

Moslem artillery from Orlic, Golo Brdo and Zuc has been opening fire on Serb defence lines in Vogosca and Rajlovac, while Moslem infantry has been attempting to break through the lines. Serb fighters have been repelling all the attacks although all their positions have been under fire from all available weapons.

In a heavy artillery attack on Thursday, Moslem forces fired about 150 grenades from their stronghold in the city and on the elevation of [words indistinct] the Sarajevo Serb suburbs of Grbavica and Vrace.

At the same time, Moslem infantry attacked all other Serb defence lines in the directions of Ilidza, and Nedzarici, in an attempt to reach a suburb near Sarajevo Airport. All the attacks have been repelled, SRNA said.

Moslems have received reinforcements in men and materiel from central Bosnia in the past few days. The main objective of the Moslem offensive on the Sarajevo front is to link territorially Mt. Igman, Sarajevo and the eastern Bosnian Moslem enclave of Gorazde with the Drina River and further with the Raska region in the south-west of the Republic of Serbia, in order to achieve the Islamic fundamentalists' idea of the so-called Moslem route across the Balkans.

Serb Shelling of Mt. Igman Continues

AU2207192193

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 1700 GMT on 22 July gives the following account of the combat situation:

Edin Kukavica reports from the 1st Corps of the Bosnia-Herzegovina Army that "the first lines of defense and the residential quarters of Sarajevo have been exposed to strong artillery attacks from all aggressor's strongholds" today. "As expected," Kukavica continues, "this proved to be the standard preparation for infantry breakthroughs, for example in the region of Golo Brdo in Zuc, which was stubbornly resisted, or in Breka Potok hill, that is in [word indistinct] to be precise, where provocative infantry fire has gained considerably in intensity." "According to field reports, the situation on the Igman front remained the same throughout the day," Kukavica adds that all lines of defense have been shelled "fiercely and intensely." "No major troop movements have been noted," he says, "however, we have observed some troop movement that might resemble the regrouping of forces." His opinion is that "the chetniks have not given up their aspirations as regards this mountain." "The lines of defense are stable, the morale of the soldiers in our units is good and high, including their determination not to give up the tiniest bit of Igman to the chetniks," he says. He adds here that "recent successes" in Trnovo and Golo Brdo helped to boost the morale of the fighters. "The shelling of our positions in Zuc continued throughout the afternoon," Kukavica says, "but there has not yet been any indication of infantry attacks."

Hamiz Deronjic reports from Brcko that "the aggressor's offensive on the Brcko front has been going on for a solid 24 hours." As he says "fierce tank-infantry charges" are directed at defense positions in (?Liporagici), (?Bukovac), Bajici, Suljagica Sokak, Licki Most, Rijeke, Dizdarusa, Omerbegovaca, Vranovaca, and (?Pozariste). He adds that the fighters of the 108th Motorized Brigade and the 108th Croatian Brcko Defense Council Brigade are defending the free Brcko territory with "superhuman efforts."

A dispatch by a correspondent whose name is indistinct says that Celic civilian residences and defense lines have been attacked since early morning with "howitzers, tanks, mortars, guns, antiaircraft machine guns, antiaircraft guns, multiple rocket launchers, and chemical agents." "Around noon the chetniks embarked on a combined tank-infantry attack in the region of (?Brekin Potok and Dubrave)," according to the correspondent.

Fighting Continues 'Unabated'

AU2207124893 Belgrade Radio Beograd Network in Serbo-Croatian 1200 GMT 22 Jul 93

[Text] Early this morning, Muslim forces on the Sarajevo front launched fierce artillery and infantry attacks against almost all lines of Serbian defense. Early this morning, a fierce artillery attack was also launched against Grbavica, a

suburb under Serbian control. By 1000 [0800 GMT] the Muslim forces from their strongholds in the city and on Mount Hum fired around 150 projectiles of all calibers at the areas of Grbavica and Vrace.

Simultaneously with the artillery attacks, the Muslim infantry launched an attack against the defense lines on the Ilidza front. The Kasindol Street was attacked from Stupsko Brdo, Butmir, and the Stup highway juncture. An attack was launched from the direction of Stup against the Serbian positions in Nedjarici.

The fighting continues unabated in the area of Mt. Igman, where the Muslim forces are attacking the Serbian defense lines on Golo Brdo, Stupnik, and Obeljak.

General Alarm Sounded

AU2307085593

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 0800 GMT on 23 July carries in its regular 7-minute newscast several reports on the fighting in the Republic.

The studio announcer states that "half an hour ago the general alarm was sounded in Sarajevo, which best illustrates the situation in the city." She does not further elaborate.

Reporting from Maglaj, Hajrudin Sermic says that "after yesterday's relative peace, at about 1800 the chetnik 122-mm and 155-mm howitzers from Todorovici and Borova Glava, and a tank from (?Teran) again pounded the town. This artillery attack lasted till midnight. Simultaneously the positions of our fighters in Lijesnica and (?Sremiste) were attacked by the united chetnik-ustasha forces with a tank from (?Pazaric) and 120-mm mortar batteries from (?Komsici). The defense lines however remain stable."

The Operative Group Bosna of the Bosnia-Herzegovina Army Third Corps reports that "the Dubravice front is still under constant fire from the chetnik-ustasha positions. Overnight the aggressor fired some 100 mortars of all calibers. Tank shells in barrels [bure] with slow-burning fuse cords were used for the destruction of civilian targets. The operations of the united aggressor went on well into the night. There were sporadic provocations on the other fronts, too. In the evening a hill cannon fired at civilian targets in the River Krivaja valley, while a Bofors fired at the villages along the (?Tesla River). This morning the aggressor is firing with antiaircraft machine guns and small arms against the defense lines. Over 10 82-mm mortars have so far landed on the wider area of Dubravice." The report says that "yesterday the united aggressor fired three Maljutka guided missiles at the town. All the defense lines are stable and there have been some shifts to the advantage of the defenders."

In his report from Olovo, Velid Djindo says that "yesterday evening the aggressor sporadically shelled the defense lines in (?Olovske Luke) from their positions in Arapovci, (?Gornji Dreselj), and (?Berisevici)."

UNPROFOR Headquarters Hit

LD2207152193 Pale Radio-Televizija Republike Srpske Studio-S Radio in Serbo-Croatian 1300 GMT 22 Jul 93

[Excerpt] An all-out assault by Muslim forces on the northwest sector of the Sarajevo front began at 0600 this morning. First a report by Sava Guzina and then a live dispatch from our correspondents on the Sarajevo front, Nedeljko Zelenovic and Gordana Krunic.

[Guzina] The northwest sector of the Sarajevo front was turned into a bloody slaughterhouse this morning. After overt, prolonged, and diverse combat preparations, which included consolidation along the defense lines, the hauling in and strategic positioning of artillery and other weapons, additional mobilization and the deployment of fresh forces, and constant provocations, Muslim forces, in tune with an open announcement, this morning launched a new offensive aimed at lifting the blockade of Sarajevo. They are striking in the direction leading through the Bosna Valley and accross Zuc Hill, Vogosca, and Rajlovac.

Judging by the ferocity and intensity of artillery and infantry activities against Serbian-held defense positions, and the depth of the territory where the crashes and thuds of various caliber missiles, mortars, and howitzer shells can be heard every moment, it is beyond doubt that Alija's Izetbegovic strategists have commenced their fresh offensive with all the means at their disposal. As is the case so far, they are resorting to cowardly tactics. Not only are they obliterating civilian objects in Vogosca, Rajlovac, and surrounding villages, but from concealed firing positions they are also shelling the PTT Inzenjering building housing the UN Protection Force [UNPROFOR] headquarters.

Of course, it is not hard to guess why they are doing this—because they have often scored points on the international scene by accusing the Serbian side of committing such misdeeds. The Serbian forces have been anticipating this offensive and have readily accepted the challenge. Fierce combat is in progress along the entire frontline in this sector. According to first-hand information, all enemy onslaughts have so far been successfully repelled. [passage omitted]

Serbs Pound Vogosca

AU2207145193 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 22 Jul 93

[Edin Kukavica report from Sarajevo]

[Text] The intensity of military operations on the Sarajevo front remains as reported previously. The enemy artillery is still mercilessly pounding the defense positions on the Vogosca part of the front from their well-known strongholds, but for the time being there are no

serious movements of the aggressor's infantry units or attempts at breakthrough at any part of the front.

The attacks are currently concentrated on the region of Brekin Potok and (?Grdanj), particularly in the region of (?Plotona), where the intensity of the provocative small arms fire has increased significantly.

The shelling of residential areas continues, although with somewhat abated intensity. So far there have not been any more serious attempts at infantry breakthroughs.

The situation on Mt. Igman has not changed. [Words indistinct] which appears to be regrouping of forces. The defense lines are stable, and the fighters are prepared to repulse any attack. The morale of our forces is very high, and they are extremely motivated, particularly after the recent successes of the counteroffensive on Golo Brdo and Mt. Igman, the halting and repelling of the aggressor's offensive on the Trnovo part of this front, and the satisfaction with the capture of large amounts of ammunition and weapons. The defense lines are in no danger whatsoever, and any attempts at infantry breakthroughs will be repelled.

This is Edin Kukavica reporting from the First Corps Information Service.

UN Unable To Tell Who Started Sarajevo Fighting

AU2207132793 Paris AFP in English 1257 GMT 22 Jul 93

[By Hugh Nevill]

[Excerpts] Sarajevo, July 22 (AFP)—Serb forces and troops of the mainly Moslem Bosnian army opened a full-scale artillery battle in Sarajevo Thursday on the eve of peace talks in Geneva.

Reliable sources said a meeting of Bosnia-Herzegovina's collective presidency delayed a decision on attending the conference, scheduled to start Friday. [passage omitted]

U.N. troops in Sarajevo meanwhile were unable to ascertain which side started the fighting, said Commander Barry Frewer, chief Sarajevo spokesman for the U.N. Protection Force (UNPROFOR).

Columns of smoke swirled up from many points at the western end of the valley city, which echoed to the crash of incoming and outgoing artillery, tank and mortar fire from daybreak. The battle continued during the afternoon.

The main Kosevo hospital said mid-morning that it was treating seven civilians wounded by shrapnel, and one death was reported. Ambulances packed with wounded soldiers were streaming into the hospital early afternoon.

U.N. troops and Sarajevo radio reported fierce fighting continuing on many fronts throughout the country, with the radio saying the Serbs were continuing a tank-backed assault on the Bosnian army stronghold of Mount Igman, looming over Sarajevo airport.

In downtown Sarajevo, members of Bosnia's collective presidency broke off a meeting called to consider their final stand on the Geneva talks. The Serb and Croat separatists who control 90 percent of this former Yugoslav republic are demanding its division on ethnic lines in a loose confederation, while the multi-ethnic Bosnian presidency is seeking a federal structure.

Conference sources in Geneva said that President Alija Izetbegovic, who boycotted earlier sessions of the talks, had been due to leave Sarajevo Thursday afternoon to take part, but the sources in Sarajevo said that if a delegation did go, it would be unlikely to leave before Friday.

Conference spokesman John Mills announced in Geneva Wednesday evening that Izetbegovic had agreed to attend after Bosnian Serb leader Radovan Karadzic promised a pause in the assault on Mount Igman. [passage omitted]

In town, smoke was coiling from from several areas near Ukrainian U.N. troops' quarters in the Marshal Tito barracks, an area where U.N. observers counted 60 incoming shells in the first three hours of the fighting.

Frewer also reported a major Serb artillery attack on Mali Hum, on the northern outskirts of the city, and said 100 shells struck Bosnian army positions on the Zuc hill behind it. [passage omitted]

Incoming shells landed in central Sarajevo near the residence of the UNPROFOR Bosnia-Herzegovina commander, Belgian General Francis Briquemont, Frewer said.

Mills said Izetbegovic had undertaken to order a pause in Bosnian army attacks around Bugojno and Gornji Vakuf in the centre of the country. [passage omitted]

Frewer reported battles raging Wednesday around Bugojno, central Tuzla, and in the Posavina corridor linking Serb troops in northern Bosnia with Serbia, with 693 shells counted impacting in the corridor near Brcko in 24 hours.

He reported that 35,000 Moslems on the eastern side of the Neretva River, running through the divided southern city of Mostar, were in a desperate plight, with no food and few medical supplies.

In the central town of Jablanica 19,000 Moslems, including 4,000 children, were desperately short of food and other supplies.

Muslims, Serbs Continue To Fight in Gorazde

Serbs Using Russian-Made Shells

AU2307112893

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 1000 GMT on 23 July carries in its regular 15-minute newscast several reports on the fighting in the Republic.

The Gradacac Information Center reports that "at 0900 [0700 GMT] the aggressor launched a new attack with all his artillery pieces against the eastern sector of defense. The attack is becoming fiercer as we report, and the situation is increasingly dramatic."

Reporting from Brcko, Hamiz Deronjic says that "the first morning hours started with new heavy enemy attacks with armored-mechanized and infantry forces against the defense positions. The fighters of the 108 Brcko Brigade and the united units of the Bosnia-Herzegovina Army Second Corps repulsed this attack. This is the third day that the chetniks have been using the most destructive weapons, including Volkov S-65 missiles, against the free densely-populated residential areas of Brcko." He says that "the aggressor has been suffering great losses in this offensive on the free Brcko territory. The chetniks have serious problems with filling their ranks. This is substantiated by the local media in the occupied part of Brcko, which yesterday broadcast a call for a general mobilization. The same media have simultaneously been soliciting their fighters with lies about the alleged desertion from the front line by our defenders."

In his report from Gorazde, Mustafa Kurtovic says that "it can be seen from the remains of the shells that were fired at the town center, killing dozens of people over the last few days, that they were Russian-made. We would like to ask Mr. Vitaly Churkin what sort of peace is he offering Bosnia-Herzegovina when at the same time he is delivering masses of the most lethal weapons to the aggressor?" Kurtovic says that "the UNHCR humanitarian convoy finally entered Gorazde yesterday. The amount of food brought in to the famished people of this town is enough to keep them alive for two days at the most."

Describing the situation in Sarajevo, the studio announcer cites UNPROFOR's [United Nations Protection Forces] Barry Frewer as saying that "3,777 shells were fired at the city yesterday from the chetnik positions." As for today, he says that "since early morning hours, the positions of the defenders have been exposed to heavy artillery fire from the enemy positions around the city. From 0830 to 1000, the chetniks from Blagovac, Poljine, and (?Tihovic Brdo) pounded Mujkic Brdo and the Traffic School [saobracajni fakultet]. The tank in Osmica [on Mt. Trebevic] fired at Vogosca, while howitzers pounded (?Sip). Heavy small arms fire could be heard coming from Brekin Potok." As for the Mt. Igman front, she says that "the situation is stable as all the chetnik offensive operations have been halted." She says that "yesterday the aggressor tried to infiltrate a 20-member sabotage group between our lines in the region of (?Troskok), but it was quickly discovered and dispelled. Three chetniks were killed and the weapons the others left behind as they fled in panic have been confiscated."

UN Aid Convoy To Be Permitted To Enter

AU2207192293 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 22 Jul 93

[Text] Apart from sporadic chetnik shelling and provocations, Gorazde has been somewhat more peaceful today. It has been reported from Gorazde that the UN observers' mission held talks with the aggressors in Visegrad. It appears that after these talks the aggressors will allow the convoy of the UN High Commissioner for Refugees, which has been stranded in (?Medjeda) for several days, to enter Gorazde.

HVO Admits Fall of Bugojno to Government Troops

AU2207160093 Paris AFP in English 1520 GMT 22 Jul 93

[Excerpts] Sarajevo, July 22 (AFP)—Moslem-led Bosnian troops seized control Thursday of the central Bosnian town of Bugojno after four days of intense fighting against Croatian forces, Bosnian and Croat sources said.

Veso Vegar, spokesman for the Bosnian Croat militia HVO contacted in the southern city of Mostar, said virtually all Croatian forces had been expelled from Bugojno, located about 90 kilometers (55 miles) west of Sarajevo.

He said Croatian civilians were fleeing the town, although the militia still controlled the strategic village of Gaj leading south to the town of Gorni Vakuf, a Croatian-controlled area also under attack by Moslem soldiers. [passage omitted]

U.N. peacekeeping spokesman Barry Frewer said Croatian and Moslem forces were also fighting around the divided southern city of Mostar and that troops from neighbouring Croatia were battling alongside Bosnian Croat soldiers.

The Croatian Army movement was "heavy," but that he had no count of their numbers, he said.

He reported that 35,000 Moslems on the eastern side of the Neretva River, running through Mostar, were in a desperate plight, with no food and few medical supplies.

The situation was similar in the central town of Jablanica, where 19,000 Moslems, 7,000 of them refugees from the east and 4,000 of them children, were desperately short of food and other supplies.

Serb Forces Attack Croat Enclave

LD2207161693 Zagreb Radio Croatia Network in Serbo-Croatian 1500 GMT 22 Jul 93

[Report by correspondent Zdenko Vranjes]

[Excerpts] [Passage omitted] Serb forces are launching fierce attacks on the Usora liberated territory for the second day running. According to a correspondent of Herceg-Bosna radio, soldiers of the HVO's [Croatian Defense Council] 110th Brigade have repelled four strong tank and infantry attacks. Serb forces are destroying Usora villages with Orkan and Luna missiles. Scores of civilian casualties have been registered. One HVO soldier was killed and 15 were wounded. The Usora area has not received any aid for 100 days now.

Muslims Attack Croat Forces Near Zepce

LD2207211393 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 22 Jul 93

[Text] Muslim forces have been launching fierce attacks on Croat Defense Council [HVO] units near Zepce. Muslims attempted several breakthroughs near the Croat villages of Bistrica and Orahovica. The defenders inflicted heavy losses in manpower and military equipment on the aggressor. More than 200 highly destructive shells were fired on the town of Zepce and Croat villages in the Zavidovici area. Three civilians were killed and many wounded.

On the Maglaj part of the battlefield Muslim forces have been attacking the villages of Lijesnica and Asan Bare and their defense lines. Two HVO soldiers were killed and three wounded.

Explosions on Zavidovici Front

LD2207141693 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 22 Jul 93

[Text] Artillery attacks on Zepce and surrounding villages inhabited by Croats were resumed this morning. About 100 tank and mortar shells have been fired so far. Despite this, the 111th brigade has continued its advance in the southern part of the Zepce battlefield. Battles are waged for almost every hill, every position.

Strong explosions are reverberating on the Zavidovici battlefield. Muslims are pounding Viniste, Debelo Brdo, and Dubravica from Mount Klek. Antiaircraft weapon fire can be heard occasionally.

Four defenders were killed and eight wounded in the past 24 hours.

Vitez: 15 Croat Civilians Killed in Muslim Attack

LD2207211193 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 22 Jul 93

[Text] Defenders of the free areas of the Fojnica municipality have prevented Muslim forces from entering two villages in the southeastern part of the municipality. During the fifth day of constant Muslim artillery attacks on Vitez 15 Croat civilians have been killed. Muslim troops tried to enter the village of Zabrdje but were repelled by the Croat Vitez Brigade.

Persecution of Muslims in Doboj Intensifies

AU2207192493 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 22 Jul 93

[Text] The aggressor's government has intensified persecution of Muslims and ethnic cleansing in Doboj and its surroundings. The Muslim population has been chased away from the villages of [word indistinct], Bukovica, and (?Rijanka), while ethnic cleansing of the village of (?Sjenina) is being prepared.

Chetniks are charging 1,500 German marks per head and seizing all assets of exiled peoples in exchange for so-called safe passage. A smaller number of Serbs stated that they do not wish to live in Doboj alone and some individuals are trying to protect the Muslims from [words indistinct], however, there is virtually no organized Serb resistance against the local government.

Many Serbs in this area do not wish to serve in the aggressor's army and avoid being sent to the front in every way possible.

Croats Take Over Muslim Town in Central Bosnia

LD2207172593 Belgrade TANJUG in English 1656 GMT 22 Jul 93

[Text] Trebinje, July 22 (TANJUG)—Bosnian Croat Army (HVO) has taken control of the town of Livno, central Bosnia, the Croatian radio on Thursday quoted HVO sources as saying.

Moslem forces have entrenched themselves in the old parts of Livno, populated mainly by Moslems. Three Moslem fighters have been killed and one HVO member has been wounded in the clashes fought in the past 24 hours, the Croatian radio said. The same source said that the main road between Gornji Vakuf and Bugojno, central Bosnia, was under HVO control and that HVO units from the two towns had joined up. Only sporadic fire was heard in Mostar, Herzegovina, on Thursday, after bitter battles fought on the previous night, Bosnian Serb military sources said.

In the past 24 hours, Moslem forces have been heavily attacking HVO positions near Konjic (a town north of Mostar), particularly the villages and suburbs which are cut off from the rest of the HVO-controlled territory. Seven HVO members were killed and about 15 wounded in those battles, while the the Moslem side had tens of killed and wounded soldiers, HVO sources said.

Croat Forces Aid Muslims in Attack on Brcko Serbs

LD2207154193 Pale Radio-Televizija Republike Srpske Studio-S Radio in Serbo-Croatian 1300 GMT 22 Jul 93

[Excerpts] Enemy combat lines have been breached on the Brcko front. [passage omitted]

The so-called Bosnia-Herzegovina Army was backed by Croatian artillery from Gunja and Rajevo Selo during the fighting in the southern sector of the Brcko front, where the fiercest clashes took place. Several howitzer shells landed on Serb-held positions, Serb military sources claim. No casualties were reported on the Serb side in today's fighting.

The Srpska army command in Brcko today called up all soldiers and officers fighting on that part of the front, who are currently on leave, to urgently report to their units because Brcko and surrounding Serb-populated villages are exposed to the strongest Muslim offensive since the outbreak of the war, the correspondent of the Serb news agency reports from that town. [passage omitted]

Large Amount of Chlorine 'Hidden' in Tuzla

AU2207170993 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 22 Jul 93

[Text] The Muslim authorities in Tuzla are again threatening to use chemical substances. According to OSLOBODJENJE, the containers with this toxic substance have been placed in hidden locations in the town. The amount of chemical substance in Tuzla can burn everything all the way to Belgrade and beyond, to Romania and Hungary.

The Muslim media are again trying to attract the attention of the international community. After keeping quiet for about a month, they are again threatening to activate the so-called Tuzla atom bomb, even though Serbian military sources have informed the public that there has been no chlorine for some time. This chemical substance is produced in Zagreb. It has been impossible to transport it since the beginning of the war.

Over 700 Prisoners Exchanged Near Tuzla

AU2207161093 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 22 Jul 93

[Salih Brkic report from Tuzla]

[Excerpt] After three months of negotiations, the biggest exchange of prisoners so far, involving more than 700 people, was organized on the road toward (?Sibosnica) last night. In this manner, 342 prisoners from the camp of [word indistinct] arrived in Tuzla while another 42 have been [words indistinct] Karlovac. They will proceed from there to Germany. Another nine people were released in other areas and the [words indistinct] residing permanently on the territory of Tuzla district.

At the same time 278 members of the aggressor's formations and their aides and accomplices—the latter were captured earlier and prosecuted for it—as well as 33 civilians of Serbian nationality from the Tuzla district left for the territory controlled by the aggressor. They are the ones the aggressor's side explicitly asked for, and that is why this exchange, the biggest one so far, was running late. [passage omitted]

Serbs Set Conditions for Passage of Aid Convoys

LD2307124693 Belgrade TANJUG Domestic Service in Serbo-Croatian 1046 GMT 23 Jul 93

[Text] Banja Luka, 23 Jul (TANJUG)—The press center of the first [Bosnian] Krajina corps of the Srpska republic army today released a statement containing a proclamation by the people and fighters of Srbobran [formerly Donji Vakuf] in which the passage of Travnik-bound humanitarian convoys has been declared conditional on the implementation of measures aimed at protecting the Serbs in Travnik.

The proclamation points out that citizens and fighters on the front line near Turbe [near Travnik] are enraged over the extremely inhumane treatment of Serbs in the Travnik area.

"They are not allowed to visit the territory of the Srpska republic, they are being forced to dig trenches on positions toward the Serb army, which makes them a human shield for Muslim assaults," the proclamation says, and adds:

"We are requesting the world public, UNPROFOR [United Nations Protection Force], and international humanitarian organizations to raise their voices against this Muslim conduct toward the Serbs, which is at odds with all international regulations, and demand that the Serbs be allowed free passage onto the territory of the Srpska republic."

The citizens and fighters of Srbobran warn that they will "prevent the passage of convoys carrying humanitarian aid to the Muslims if the relevant international institutions do not take appropriate measures to protect the Serb people in Travnik by 5 August at the latest."

Serbian civilians have been stopping humanitarian aid convoys in Srbobran over the past couple of days, but, following intervention by the Srpska army, a temporary unblocking of roads leading to Muslim-controlled areas in central Bosnia was accepted.

Krajina Representative Says Talks 'Very Fair'

AU2207151293 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 22 Jul 93

[Branko Maksimovic report from Vienna]

[Text] We did not live to see the continuation of the Vienna negotiations scheduled for this morning. Because the talks between the representatives of Croatia and the Krajina Serbs have been held behind closed doors since the very beginning—that is, Tuesday [20 July]—media reports on the talks are rather contradictory.

Right now we are supposed to obtain the first accurate, or rather first-hand information, from the head of the Croatian delegation Slavko Degoricija. The latest report of the Austrian news agency APA, which claims that the talks were unsuccessful and hastily concluded because the Serbian delegation had supposedly departed from Vienna, is obviously not correct. In fact, I just spoke to the head of the [Krajina] delegation, Colonel Kosta Novakovic, over the phone, who told me that the talks had been postponed for a few days by mutual decision. He refused to explain why, but did say that the views of both sides are coming closer together and that the talks were very fair. Here Novakovic stressed that it was the delegations of the two armies—the Croatian and Serb Krajina's—that sat behind the table and that did not discuss political issues. It can be deduced from this that the talks abandoned precisely political issues. We will be able to confirm this speculation of ours at the Croatian representatives' news conference.

Restrictions Placed on Muslim Refugees From Bosnia

LD2207152293 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 22 Jul 93

[Text] Croatia received 1,000 Muslim, Croat, and Serb refugees from Mostar last weekend. We received them only to enable them to go on to a third country and to protect them from the war. Western media portrayed this as ethnic cleansing, Adalbert Rebic, head of the government's office for displaced persons and refugees, said at a news conference held in Zagreb today. Milena Jukic-Ugrin reports:

[Jukic-Ugrin] Croatia is currently accommodating 277,320 refugees from Bosnia-Herzegovina. Slightly over 50 percent of them are Muslims from eastern Bosnia, eastern Herzegovina, Banja Luka, and Prijedor, and somewhat less than 50 percent are Croats from the Bosnian Posavina area, Jajce, Banja Luka, and Kotor Varos. Ethnic cleansing has affected equally Croats and Muslims.

Following Muslim attacks on Croats in central Bosnia, about 300,000 of them have sought refuge in Croatia and other European countries, while 200,000 Croats have remained in complete encirclement, Rebic says.

[Begin Rebic recording] If the current offensive launched by Muslims against Croats in central Bosnia continues then we fear that we will soon have to accommodate more than 20,000, possibly more than 50,000 Croats who are in greatest danger. [end recording]

[Jukic-Ugrin] Despite this incomprehensible aggression by our erstwhile allies, Croatia will not change its policy on refugees from Bosnia-Herzegovina who are accommodated in our country. However, the head of the government's office for displaced persons and refugees goes on to say:

[Begin Rebic recording] It is precisely due to this sensitivity on the part of the West towards Croatia, and due to their tendency to make accusations against Croatia, that Croatia will no longer receive Muslim refugees from Bosnia-Herzegovina without prior agreement with the UN High Commission for Refugees [UNHCR] in order to avoid a reoccurrence of such accusations in media, claiming that we are carrying out ethnic cleansing in Bosnia-Herzegovina. From now on we will receive Muslim refugees from Bosnia-Herzegovina only if they are joining their families in Croatia or in a third country, and only in cooperation with the UNHCR. [end recording]

Announcement Amid Deportation Allegations

AU2207132893 Paris AFP in English 1304 GMT 22 Jul 93

[Text] Zagreb, July 22 (AFP)—Croatia, moving to counter charges that it is aiding in the "ethnic cleansing" of Moslems from disputed regions of Bosnia-Herzegovina, announced Thursday tight controls on the entry of all Moslem refugees into the country.

Adalbert Rebic, the Croatian official in charge of refugee affairs, told a news conference that only Moslem refugees seeking to join relatives in Croatia or third countries would be allowed into the country.

He added that only refugees approved by the U.N. High Commissioner for Refugees [UNHCR] would be taken into Croatia.

The annoucement came amid allegations that several hundred Moslem refugees recently taken from central Bosnia to the Croatian island of Obonjan had been forced from their homes by Bosnian Croats seeking to tighten their control on the Mostar region of southern Bosnia.

Churkin: Krajina Will Be 'State Within a State'

LD2207194593 Belgrade TANJUG in English 1744 GMT 22 Jul 93

["Pool" item]

[Text] Zagreb, July 22 (TANJUG)—Deputy Russian Foreign Minister and special Russian mediator Vitaliy Churkin has stated to the Zagreb weekly GLOBUS that

"Krajina (the republic of Serb Krajina—RSK) will be a state within a state" and that that would be the "final result of the negotiations" between representatives of the RSK and Croatia.

Serbs proclaimed the RSK in 1991 in predominantly Serb populated parts of the former Yugoslav Republic of Croatia in response to Croatia's forcible secession.

Churkin said he had proposed during his stay last week in Zagreb and Knin, the political center of the RSK, that, "as part of the fundamental political issues, an effort be made also to study the concept of sovereignty for Serbs."

Churkin said that autonomy for the Serbs in the RSK was inadequate and "something more" was needed. He said that "the sovereignty concept," coupled with a cooperative approach, "can more than autonomy provide for the Krajina Serbs." [Words indistinct], and, at the same time, guarantee to Croatia territorial integrity [word indistinct] asked whether that meant that the RSK could have its own army, Churkin said it might be agreed that "certain autonomous military formations can exist but only on condition they recognize the territorial integrity of Croatia."

"It seems to me that there are elements of flexibility on both sides, I would even say more so on the Croatian side than the Serb," the Russian diplomat said.

Churkin commented the frequently invoked example of Cyprus in Croatia and said that "not even such a course of events should be ruled out," but said it was "not a solution."

Churkin said that as far as foreign policy was concerned the degree of autonomy would have to be defined first. He said, however that the RSK "would not be recognized as a subject of international law."

The Russian diplomat said the conflict between the RSK and Croatia could turn into a serious and difficult war between Croatia and the Federal Republic of Yugoslavia and possibly even one on a larger scale.

Tudjman: Confederation Only Chance for Bosnia

LD2207155693 Belgrade TANJUG in English 1534 GMT 22 Jul 93

[Text] Paris, July 22 (TANJUG)—President Franjo Tudjman of Croatia has said that the Serbian-Croatian project on a confederal order for Bosnia-Herzegovina was the last and only chance for that former Yugoslav republic, since he said the three nations in it (Muslims, Serbs and Croats) could live in no other way but within a confederation.

Tudjman said in an interview published in the Paris daily LIBERATION on Thursday, "it is inconceivable that after the disintegration of the (former) Yugoslavia, Bosnia-Herzegovina—where differences are even more strongly pronounced and where three civilizations live—can survive as a unitary state."

Tudjman said that the future confederal units need not be "ethnically pure states."

Bosnian Croats and Serbs call for Bosnia-Herzegovina to be organized as a confederation of three mini-states (Muslim, Serbian and Croatian), while Bosnian Muslims want a unitary state or at least a federation of non-ethnic republics.

Tudjman said that the former Yugoslav Republic of Bosnia-Herzegovina could function as a union of the three constituent nations if a solution satisfactory to all sides was to be found. "Otherwise, three separate states will be created, which will join their mother countries—Serbs Serbia and Croats Croatia," the Croatian president said.

A religion, Islam, was proclaimed a nation for the first time ever in Bosnia-Herzegovina in 1968 and the idea of transforming all of Bosnia into an Islamic state was born at that time, Tudjman said.

Tudjman said the Muslim side was responsible for the fierce clashes between Bosnian Croats and Muslims. He said Muslims, who were until only recently the allies of Bosnian Croats, "started attacking the territories reserved for Croats (under the Vance-Owen peace plan)." Tudjman said that Bosnian Muslims also expelled over 40,000 Croats from the territories reserved for Muslims in central Bosnia. The Croatian president said that over 100,000 Croats were threatened by jihad in Bosnia-Herzegovina.

Tudjman denied the allegations about the existence of an alliance between Croats and Serbs and said, "it is in the interest of Croatia to normalize relations with Serbia and to find a peaceful solution in Bosnia."

Tudjman said that a peaceful solution in Bosnia-Herzegovina was in the interest of Europe and all of the world, because he said the continuation of the war could lead to a confrontation between the Islamic and Christian worlds. He said it was known that there were "between 2,000 and 3,000 mujahedin" in Bosnia-Herzegovina.

The president of Croatia said he believed in "a phased peaceful solution" of the conflict between Croatia and the republic of Serbian Krajina (RSK), but again threatened that Croatia would use "all means, including military, to establish the constitutional order on all of its territory."

The RSK was proclaimed by Serbs in response to Croatia's forcible secession from the former Yugoslavia in 1991 and it comprises predominantly Serb populated territories. The RSK was proclaimed a U.N. protected area (UNPA) early last year but that did not stop Croatia from launching aggression on the RSK's southern part on January 22 this year.

Defense Ministry Denies Croatian Troops in Bosnia

LD2207173293 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 22 Jul 93

[Text] The Defense Ministry of the Republic of Croatia denies a report by REUTER in a statement that stresses:

REUTER, citing a statement by UNPROFOR spokesman Barry Frewer, on 22 July carried a report headlined "UN Says Croatian Army Units Pouring Into Bosnia." The report mentions considerable movements by the Croatian Army and alleged joint actions by Croatian Army units and the Croatian Defense Council against positions of the Bosnia-Herzegovina Army. This report is one in a series of reports used in the media war against Croatia, whose aim is to equalize the Republic of Croatia and Serbia, which is the only aggressor in the territory of the former Yugoslavia. The Defense Ministry is once again denying this and similar reports, it considers them incorrect and unfounded. This is said at the end of the statement by the Defense Ministry of the Republic of Croatia.

Granic Appeals to HVO President, Bosnia's Efendic

LD2207140593 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 22 Jul 93

[Text] In view of the escalation of armed conflicts and the extremely difficult humanitarian situation in Bosnia-Herzegovina, Dr. Mate Granic, deputy prime minister and foreign minister of the Republic of Croatia, sent the following urgent appeal to Jadranko Prlic, president of the Croatian Defense Council [HVO], and Bosnia-Herzegovina Deputy Prime Minister Hadjo Efendic:

Profoundly concerned over the rapidly deteriorating humanitarian situation in the Republic of Bosnia-Herzegovina, the escalation of hostilities and its consequences, and nonfulfillment of the responsibilities assumed by the HVO and the Bosnia-Herzegovina Government by signing the Makarska agreement of 10 July, the serious obstructions preventing the International Red Cross Committee and the UN High Commissioner for Refugees [UNHCR] from performing their tasks, and following consultations with the International Red Cross Committee, the UNHCR, and UN Protection Forces [UNPROFOR], the Croatian Government calls on the HVO and the Bosnia-Herzegovina Government to immediately release all detained civilians. Internment camps should be shut down immediately and the inmates allowed to return to their homes. The International Red Cross should have free access to all other persons held prisoner in connection with the conflict. The conflicting sides should examine their release according to the all-for-all principle. Free and unhindered access should be secured to humanitarian convoys to all places where humanitarian aid is needed, including encircled areas. Measures should be taken to guarantee the safety of international humanitarian organizations' personnel and property.

In order to facilitate negotiations between the HVO and the Bosnian Government, the Croatian Government invites them to meet in Zagreb as soon as possible.

The International Red Cross Committee, the UNHCR, and UNPROFOR share concern over these issues and are ready to take part in such a meeting, Dr. Mate Granic, deputy prime minister and foreign minister of the Republic of Croatia, says in his appeal to HVO President Jadranko Prlic and Bosnia-Herzegovina Deputy Prime Minister Hadjo Efendic.

Federal

EC Minister Claes Leaves Without Meeting Milosevic

LD2307090993 Belgrade TANJUG Domestic Service in Serbo-Croatian 0837 GMT 23 Jul 93

[Excerpts] Belgrade, 23 Jul (TANJUG)—Willy Claes, Belgian foreign minister and chairman of the EC Ministerial Council, left Belgrade this morning.

The chairman of the EC Ministerial Council did not meet Serbian President Slobodan Milosevic, as it was officially announced that he would. [passage omitted]

In a press statement following the talks with President Bulatovic, Claes said yesterday that he had "important messages" for Serbian President Slobodan Milosevic and that he would probably have a meeting with him.

CSCE Observers 'Chased Out' of Provinces

AU2207143893 Paris AFP in English 1347 GMT 22 Jul 93

[Text] Vienna, July 22 (AFP)—Observers from the Conference on Security and Cooperation in Europe are to withdraw from Kosovo and two other Serb provinces considered possible tinder-boxes, following pressure from the government of what remains of Yugoslavia, diplomats at the CSCE said here Thursday [22 July].

Kosovo is widely considered to be the next region where ethnic warfare is likely to erupt in ex-Yugoslavia. The other provinces where CSCE observers are deployed are Vojvodina and Sandzak.

The observers are to pull out of the territories "within the next few days after having been chased out by the government of the FRY," the sources said, referring to the Federal Republic of Yugoslavia proclaimed by Serbia and Montenegro.

The sources did not specify exactly what had happened to the observers.

Swedish Foreign Minister Margaretha af Ugglas, president of the CSCE Council, had received a letter from FRY Foreign Minister Vladislav Jovanovic saying his government would extend the observers' visas on condition the FRY was allowed back into the CSCE.

However "this condition was not acceptable to the CSCE," the sources said.

The CSCE suspended the FRY in July 1992, because of human rights violations.

On Friday [23 July], Ugglas is to write Jovanovic on behalf of the CSCE saying the observers are withdrawing because "this organization feels chased out" of the provinces, the sources added.

All three Serb provinces have large ethnic communities, particularly Albanian and Hungarian.

Foreign Minister Jovanovic Meets EC's Claes

AU2207153093 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 22 Jul 93

[Text] The EC representative Belgian Foreign Minister Willy Claes held talks with Federal Foreign Minister Vladislav Jovanovic. After the closed-door talks, the two ministers made statements. Jelena Vidic has the details:

[Vidic] At the request of journalists, Willy Claes repeated the message he conveyed to Minister Jovanovic on behalf of the EC.

[Begin Claes recording in English fading into Serbo-Croatian translation] Please, do everything possible, as soon as you can, to create conditions that would facilitate the peace negotiations in Geneva. I honestly believe that it is possible to create better conditions for humanitarian aid in Bosnia and for stopping offensive military actions. [end recording]

[Vidic] In a reply to a journalist's question, Claes said that the international community must support the efforts being made to settle the Bosnian crisis. He stressed that the United States, Russia, and other countries must accept participation in the implementation of the political agreement on Bosnia-Herzegovina once this agreement has been reached. The EC also must do everything it can, Willy Claes said.

Minister Vladislav Jovanovic said that Willy Claes, acting as the EC representative, has conveyed the community's interest in the earliest possible establishment of just and lasting peace. The EC is ready to stake its authority, but expects from all interested parties to make their own contributions in the quest for peace, Jovanovic said and continued:

[Begin Jovanovic recording] [word indistinct] I think that this has never been a problem for us, because we have been doing this for months, and quite intensively recently. This is evident everywhere. So, we believe that the rising interest in the EC to speed up the peace process will have a favorable effect on the process itself and positively affect the last side, which is still waiting for a third solution to finally come down from the sky, to find a solution for Bosnia at the negotiating table together with the other two communities. [end recording]

[Vidic] In reply to a question on the forthcoming continuation of the negotiations in Geneva, Jovanovic said that all those who want peace will come there. This is necessary so that procedural issues could be replaced with specific talks on the confederal organization of Bosnia and maps, Jovanovic said.

He said that he was optimistic that a political solution to the Bosnian crisis will found soon. He backed his view by saying that the majority of the population and peoples in

Bosnia want peace, and that the international community's stand is increasingly clear that peace must be found in the shortest possible time. Peace has no alternative and therefore all sides must support the peace process, Minister Jovanovic said.

Dinar Devalued; Value Slashed Over 80 Percent

AU2207174693 Paris AFP in English 1711 GMT 22 Jul 93

[Text] Belgrade, July 22 (AFP) - The authorities of rump Yugoslavia ordered a devaluation of the dinar Thursday, slashing its value by more than 80 percent, and issued a note with a face value of 50 million dinars. The move was an effort to cope with inflation which is now calculated by the hour.

Deputy Prime Minister Jovan Zebic told a press conference reported by the Tanjug news agency that the dinar would now trade at 13.6 million to the dollar compared with 2.4 million previously. The new 50 million dinar note would be worth just under four dollars at the new rate of exchange. The previous highest denomination was five million dinars.

The rump state of Serbia and Montenegro ended 1992 with inflation of 19,000 percent according to official figures.

Under the effect of sanctions and a war economy, prices are currently increasing at an estimated two percent an hour.

Over 13 Million Dinars to U.S. Dollar

LD2207133493 Belgrade TANJUG Domestic Service in Serbo-Croatian 1155 GMT 22 Jul 93

[Summary] Belgrade, 22 Jul (TANJUG)—The federal Government decided today to devalue the dinar again—one U.S. dollar will cost 13.6 million dinar, and one German mark will be worth 8 million dinars, Federal Vice Premier Jovan Zebic told a news conference today.

National Bank Tightening Financial Discipline

LD2107182793 Belgrade TANJUG Domestic Service in Serbo-Croatian 1708 GMT 21 Jul 93

[Excerpts] Belgrade, 21 Jul (TANJUG)—The National Bank of Yugoslavia today decided to temporarily suspend the operations and freeze the giro accounts of savings banks, savings, and credit organizations, savings and credit cooperatives and other financial organizations founded in keeping with federal and republican organs, as well as to suspend the operations and freeze the giro accounts of authorized bureaux de change.

The aim of this decision is to normalize the monetary situation and tighten financial discipline in the country as quickly as possible.

The National Bank of Yugoslavia announced that, in accordance with the new decision, all the above financial organizations are required, within 15 days, to submit requests to the National Bank of Yugoslavia for inspection of their operations. This will be carried out by supervisors and inspectors of the National Bank of Yugoslavia and the Payment Operations Service [Sluzba za platni promet] in the order in which the requests were being received. [passage omitted]

As for the authorized bureaux de change, their operations and giro accounts will remain frozen until the National Bank of Yugoslavia is confident that these bureaux have fulfilled all conditions whereby the bank will allow their operations to resume.

The authorized banks which signed contracts with the bureaux de change are required to submit these contracts to the National Bank of Yugoslavia for inspection within 10 days. All banks which fail to comply with this requirement will lose their licenses for foreign currency transactions, we read in the statement of the National Bank of Yugoslavia.

Inflation Threatens To Restrict Media

AU2107194293 Belgrade RTB Television Network in Serbo-Croatian 1730 GMT 21 Jul 93

[Text] The destructive hyperinflation is threatening to halt publication of the domestic press in the near future and significantly restrict radio and television programs and the work of the press agency TANJUG. This was stated at the meeting held at the initiative of Federal Information Minister Slobodan Ignjatovic.

The extent of the difficulties experienced by the newspaper-publishing companies is illustrated by the example of the actual and real price of the daily papers. Only the cost of the paper for a newspaper that currently costs 500,000 dinars is 1,500,000 dinars. If all other costs were added to this, the price of a daily newspaper should be as much as 15,000,000.

Minister Ignjatovic has promised speedy action and help. He made special reference to the announced help from the United States and other Western countries to the so-called independent media in Yugoslavia. He said that this was a special kind of cynicism, because, as he said, this is happening at the time when these same countries are continuously obstructing the import of raw materials for medicines and humanitarian aid.